

INTERIM REPORT 2008/09



高銀地產

GOLDIN PROPERTIES

Goldin Properties Holdings Limited

高銀地產控股有限公司

Stock Code : 00283



CORPORATE INFORMATION

DIRECTORS

Pan Su Tong (*Chairman and Chief Executive Officer*)
Huang Xiaojian
Zhou Xiaojun
Ting Kwang Yuan, Edmond
Lai Chi Kin, Lawrence *
Ng Lai Man, Carmen *
Cheng Kwan Wai, Sunny *

* *Independent Non-Executive Directors*

COMPANY SECRETARY

Sun Kwing Sum

REGISTERED OFFICE

22nd Floor, Two International Finance Centre
8 Finance Street, Central
Hong Kong

PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

AUDITORS

Deloitte Touche Tohmatsu

REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited
26th Floor, Tesbury Centre
28 Queen's Road East
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WEBSITE

<http://www.goldinppt.com>

INTERIM REPORT 2008/09

The board of directors (the "Board" or the "Directors") of Goldin Properties Holdings Limited ("Golden Properties" or the "Company") is pleased to present the unaudited interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2008.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2008

		Six months ended 30 September	
	Notes	2008 HK\$'000 (unaudited)	2007 HK\$'000 (unaudited)
Continuing operations:			
Turnover	3	4,986	500,205
Cost of sales		(4,131)	(403,721)
Gross profit		855	96,484
Other operating income	4	331	759
Selling and distribution costs		–	(3,418)
Administrative expenses		(100,289)	(60,530)
Finance costs		(99,498)	(62,994)
Increase in fair value of investment properties		–	690,931
Gains (losses) on derivative financial instruments	5	515,525	(120,408)
Profit before taxation	6	316,924	540,824
Taxation	7	–	(174,147)
Profit for the period from continuing operations		316,924	366,677
Discontinued operations:			
Profit for the period from discontinued operations	8	271,142	191,619
Profit for the period		588,066	558,296
Dividends	9	–	–
Earnings per share			
From continuing and discontinued operations	10		
Basic		48.10 cents	60.97 cents
Diluted		47.92 cents	59.08 cents
From continuing operations			
Basic		25.92 cents	40.05 cents
Diluted		25.82 cents	38.80 cents

CONDENSED CONSOLIDATED BALANCE SHEET

At 30 September 2008

	Notes	30.9.2008 HK\$'000 (unaudited)	31.3.2008 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment		5,953	136,040
Investment properties	11	–	2,790,400
Prepaid lease payments	12	3,443,868	2,741
Intangible assets		168,420	174,735
		3,618,241	3,103,916
Current assets			
Inventories		102	68,833
Properties held for sale		323,558	–
Properties under development		1,672,277	1,038,395
Trade and other receivables	13	31,383	984,816
Amounts due from related companies		76	1,932
Prepaid lease payments	12	89,451	63
Pledged bank deposits		–	662,292
Bank balances and cash		1,487,209	2,800,033
		3,604,056	5,556,364
Assets classified as held for sale	14	1,993,100	–
		5,597,156	5,556,364
Current liabilities			
Trade and other payables	15	324,170	296,635
Amount due to ultimate holding company		–	30
Amount due to a related company		–	11,700
Taxation payable		14,401	63,030
Derivative financial instruments		–	46,661
Bank borrowings	16	–	1,292,267
Obligations under finance leases – amount due within one year		41	139
		338,612	1,710,462
Liabilities associated with assets classified as held for sale	14	1,649,176	–
		1,987,788	1,710,462
Net current assets		3,609,368	3,845,902
Total assets less current liabilities		7,227,609	6,949,818
Non-current liabilities			
Obligations under finance leases – amount due after one year		155	297
Derivative financial instruments		449,526	594,182
Convertible bonds		1,515,469	1,840,141
Deferred tax liabilities		411,254	425,796
		2,376,404	2,860,416
Net assets		4,851,205	4,089,402
Capital and reserves			
Share capital	17	61,129	61,123
Reserves		4,790,076	4,028,279
Total equity		4,851,205	4,089,402

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2008

	Share capital	Share premium	Share-based compensation reserve	Translation reserve	Equity participants reserve	Capital redemption reserve	Capital reserve	PRC statutory reserve	Retained profits	Total
	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000
At 1 April 2008 (audited)	61,123	2,961,700	33,760	305,578	(201,860)	173	-	74,278	854,650	4,089,402
Exchange difference arising on translation of foreign currencies to presentation currency recognised directly in equity	-	-	-	172,686	-	-	-	-	-	172,686
Profit for the period	-	-	-	-	-	-	-	-	588,066	588,066
Total recognised income for the period	-	-	-	172,686	-	-	-	-	588,066	760,752
Exercise of warrants	6	1,045	-	-	-	-	-	-	-	1,051
At 30 September 2008 (unaudited)	<u>61,129</u>	<u>2,962,745</u>	<u>33,760</u>	<u>478,264</u>	<u>(201,860)</u>	<u>173</u>	<u>-</u>	<u>74,278</u>	<u>1,442,716</u>	<u>4,851,205</u>
At 1 April 2007 (audited)	39,391	1,393,101	8,031	57,601	-	173	3,605	107,620	186,220	1,795,742
Exchange difference arising on translation of foreign currencies to presentation currency recognised directly in equity	-	-	-	(70,893)	-	-	-	-	-	(70,893)
Profit for the period	-	-	-	-	-	-	-	-	558,296	558,296
Total recognised income and expense for the period	-	-	-	(70,893)	-	-	-	-	558,296	487,403
Issue of new shares	19,851	1,766,727	-	-	-	-	-	-	-	1,786,578
Expenses incurred in connection with issue of shares	-	(9,129)	-	-	-	-	-	-	-	(9,129)
Exercise of share options	381	12,740	(2,144)	-	-	-	-	-	-	10,977
Lapse of share options	-	-	(16)	-	-	-	-	-	16	-
Exercise of warrants	1	140	-	-	-	-	-	-	-	141
Final dividend for 2007	-	-	-	-	-	-	-	-	(51,612)	(51,612)
At 30 September 2007 (unaudited)	<u>59,624</u>	<u>3,163,579</u>	<u>5,871</u>	<u>(13,292)</u>	<u>-</u>	<u>173</u>	<u>3,605</u>	<u>107,620</u>	<u>692,920</u>	<u>4,020,100</u>

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 September 2008

	Six months ended 30 September	
	2008 <i>HK\$'000</i> (unaudited)	2007 <i>HK\$'000</i> (unaudited)
Net cash from (used in) operating activities, including discontinued operations	1,319,310	(161,549)
Net cash used in investing activities, including discontinued operations	(1,346,517)	(2,446,958)
Net cash (used in) from financing activities, including discontinued operations	(419,210)	3,261,740
Net (decrease) increase in cash and cash equivalents	(446,417)	653,233
Cash and cash equivalents at the beginning of the period	2,800,033	1,751,274
Effect of foreign exchange rate changes	36,819	(65,165)
Cash and cash equivalents at the end of the period	<u>2,390,435</u>	<u>2,339,342</u>
Analysis of balances of cash and cash equivalents		
Cash and cash equivalents of continuing operations		
– Bank balances and cash	1,487,209	2,339,342
Cash and cash equivalents included in assets held for sale		
– Bank balances and cash	903,226	–
	<u>2,390,435</u>	<u>2,339,342</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2008

1. BASIS OF PREPARATION

The condensed financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed financial statements have been prepared under the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual audited financial statements for the year ended 31 March 2008, except as described below.

Non-current assets (disposal groups) held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Non-current assets and disposal groups classified as held for sale are measured at the lower of the assets' (disposed groups') previous carrying amount and fair value less costs to sell.

A discontinued operation is a clearly distinguishable component of the Group's business that has been disposed of or is classified as held for sale, which represents a separate major line of business of the Group. Comparative figures of condensed consolidated income statement have been reclassified to conform with the current period's presentation.

In the current interim period, the Group has applied, for the first time, a number of new amendments and interpretations ("new HKFRSs") issued by the HKICPA that are effective for the Group's financial year beginning 1 April 2008. The adoption of the new HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the following new, revised or amended standards and interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ²
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ¹
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combinations ²
HKFRS 8	Operating Segments ¹
HK(IFRIC) – Int 13	Customer Loyalty Programmes ³
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate ¹
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation ⁴

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 July 2009

³ Effective for annual periods beginning on or after 1 July 2008

⁴ Effective for annual periods beginning on or after 1 October 2008

The adoption of HKFRS 3 (Revised) may affect the accounting for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The Directors are in the process of assessing the impact of the other new, revised or amended standards or interpretations on the results and the financial position of the Group.

3. SEGMENT INFORMATION

For management purposes, the operations of the Group are currently divided into three businesses, which are property development, property investment and development and sales of digital consumer products. Comparative figures have been restated to conform with current period's presentation.

For the six months ended 30 September 2008

	Continuing operations						Discontinued operations					
	Property development		Property investment		Development and sales of digital consumer products		Total		Development and sales of digital consumer products		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
REVENUE												
External sales	-	-	-	-	4,986	500,205	4,986	500,205	3,091,130	1,460,537	3,096,116	1,960,742
RESULT												
Segment results	(14,994)	-	(34,834)	690,931	(2,359)	41,528	(52,187)	732,459	382,411	200,560	330,224	933,019
Interest income							36	687	28,541	11,489	28,577	12,176
Unallocated corporate expenses							(46,952)	(8,920)	-	-	(46,952)	(8,920)
Finance costs							(99,498)	(62,994)	(113,111)	(7,706)	(212,609)	(70,700)
Gains (losses) on derivative financial instruments							515,525	(120,408)	32,140	-	547,665	(120,408)
Profit before taxation							316,924	540,824	329,981	204,343	646,905	745,167
Taxation							-	(174,147)	(58,839)	(12,724)	(58,839)	(186,871)
Profit for the period							316,924	366,677	271,142	191,619	588,066	558,296

4. OTHER OPERATING INCOME

	Six months ended 30 September					
	Continuing operations		Discontinued operations		Consolidated	
	2008 HK\$'000 (unaudited)	2007 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2007 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2007 HK\$'000 (unaudited)
Exchange gain	202	–	19,580	23,525	19,782	23,525
Interest income	36	687	28,541	11,489	28,577	12,176
Others	93	72	16,052	39	16,145	111
	331	759	64,173	35,053	64,504	35,812

5. GAINS (LOSSES) ON DERIVATIVE FINANCIAL INSTRUMENTS

	Continuing operations		Discontinued operations		Consolidated	
	2008 HK\$'000 (unaudited)	2007 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2007 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2007 HK\$'000 (unaudited)
	Fair value change on convertible option derivatives in convertible bonds	371,214	(120,408)	–	–	371,214
Fair value change on warrants	144,311	–	–	–	144,311	–
Fair value change on foreign currency forward contracts	–	–	32,140	–	32,140	–
	515,525	(120,408)	32,140	–	547,665	(120,408)

6. PROFIT BEFORE TAXATION

	Six months ended 30 September					
	Continuing operations		Discontinued operations		Consolidated	
	2008 HK\$ '000 (unaudited)	2007 HK\$ '000 (unaudited)	2008 HK\$ '000 (unaudited)	2007 HK\$ '000 (unaudited)	2008 HK\$ '000 (unaudited)	2007 HK\$ '000 (unaudited)
Profit before taxation has been arrived at after charging:						
Depreciation of property, plant and equipment	1,576	2,378	7,011	11,154	8,587	13,532
Amortisation of trade marks	6,315	6,315	-	-	6,315	6,315
Amortisation of prepaid lease payments	44,725	38	33	30	44,758	68
Interest on:						
Bank borrowings wholly repayable within five years	-	45,284	113,111	7,706	113,111	52,990
Finance leases	21	19	-	-	21	19
Convertible bonds	99,477	17,691	-	-	99,477	17,691
	99,477	17,691	-	-	99,477	17,691

7. TAXATION

	Six months ended 30 September					
	Continuing operations		Discontinued operations		Consolidated	
	2008 HK\$ '000 (unaudited)	2007 HK\$ '000 (unaudited)	2008 HK\$ '000 (unaudited)	2007 HK\$ '000 (unaudited)	2008 HK\$ '000 (unaudited)	2007 HK\$ '000 (unaudited)
The charge comprises:						
Current taxation						
PRC Enterprise Income Tax	-	(1,414)	(26,839)	(12,724)	(26,839)	(14,138)
Deferred tax	-	(172,733)	(32,000)	-	(32,000)	(172,733)
	-	(174,147)	(58,839)	(12,724)	(58,839)	(186,871)

No Hong Kong Profits Tax is provided as there was no assessable profit for the period. Taxation arising in other countries or other regions in the PRC is calculated at the rates prevailing in the relevant jurisdiction. Pursuant to relevant laws and regulations in the PRC, certain subsidiaries are entitled to exemption from Enterprise Income Tax under certain tax holidays and concessions. And one of the subsidiaries established in Macau was entitled to exemption from income tax under relevant tax concessions. This Macau subsidiary was disposed of during the year ended 31 March 2008.

Pursuant to an approval document issued by the State Bureau of Shenzhen Longgang District dated 20 July 2004, Matsunichi Information Technology (Shenzhen) Company Limited, a subsidiary of the Company, had been designated as a newly established foreign manufacturing enterprises. As a result, Matsunichi Information Technology (Shenzhen) Company Limited was entitled to the two year's exemption from Enterprise Income Tax followed by three years of 50% tax reduction commencing from the first profit-making year with effect from 2004 ("Tax Benefit Period").

On 16 March 2007, the PRC promulgated the Law of the PRC on Enterprise Income (the "New Law") by Order No. 63 of the President of the PRC. On 6 December 2007, the State Council of the PRC issued Implementation Regulations of the New Law. The New Law and Implementation Regulations have changed the tax rate to 25% from 1 January 2008 after the Tax Benefit Period.

8. DISCONTINUED OPERATIONS

On 25 August 2008, a sale and purchase agreement was entered into with an independent third party to dispose of the entire issued share capital of Best Concord Group Limited ("Best Concord") and its wholly-owned subsidiary, Matsunichi Information Technology (Shenzhen) Co., Ltd (collectively "Best Concord Group") at a consideration of HK\$800 million, which consideration is subject to an adjustment to an amount equivalent to the unaudited consolidated net asset value of Best Concord Group as at 30 September 2008.

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An analysis of the results and cash flows of the discontinued operations included in the condensed consolidated income statement and the condensed cash flows statement is as follows:

Profit for the period from discontinued operations

	Six months ended 30 September	
	2008	2007
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Turnover	3,091,130	1,460,537
Cost of sales	(2,677,738)	(1,259,096)
Gross profit	413,392	201,441
Other operating income	64,173	35,053
Selling and distribution costs	(28,744)	(9,432)
Administrative expenses	(37,869)	(15,013)
Finance costs	(113,111)	(7,706)
Gains on derivative financial instruments	32,140	-
Profit before taxation	329,981	204,343
Taxation	(58,839)	(12,724)
Profit for the period from discontinued operations	271,142	191,619
Cash flows from discontinued operations		
Net cash from (used in) operating activities	531	(449)
Net cash used in investing activities	(1,531)	(381)
Net cash from (used in) financing activities	(355)	584
Net decrease in cash flows	(1,355)	(246)

9. DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the six months ended 30 September 2008 (2007: Nil).

10. EARNINGS PER SHARE

	Six months ended 30 September	
	2008 HK\$'000 (unaudited)	2007 HK\$'000 (unaudited)
For continuing and discontinued operations		
The calculation of the basic and diluted earnings per share is based on the following data:		
Earnings		
Profit attributable to equity holders of the Company for the purpose of calculating basic earnings per share	588,066	558,296
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	1,222,577,762	915,634,908
Effect of dilutive potential ordinary shares – share options	4,634,799	29,386,143
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	1,227,212,561	945,021,051
For continuing operations		
The calculation of the basic and diluted earnings per share is based on the following data:		
Earnings		
Profit attributable to equity holders of the Company for the purpose of calculating basic earnings per share	588,066	558,296
Less: Profit attributable to equity holders of the Company from discontinued operations	(271,142)	(191,619)
Profit attributable to equity holders of the Company for the purpose of calculating diluted earnings per share from continuing operations	316,924	366,677

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

For discontinued operations

Basic earnings per share attributable to the equity holders of the Company for the discontinued operations is HK\$22.18 cents per share (2007: HK\$20.92 cents per share) and diluted earnings per share for discontinued operations is HK\$22.10 cents per share (2007: HK\$20.28 cents per share) based on the profit attributable to equity holders of the Company from the discontinued operations of HK\$271,142,000 (2007: HK\$191,619,000) and the denominators detailed above for both basic and diluted earnings per share.

The computation of diluted earnings per share for the six months periods ended 30 September 2008 and 2007 do not assume the conversion of the Company's outstanding convertible bonds and warrants since their exercise would result in an increase in profit per share.

11. INVESTMENT PROPERTIES

	<i>HK\$'000</i>
At 1 April 2007 (audited)	–
Acquired through acquisition of subsidiaries	1,105,290
Additions	21,028
Increase in fair value recognised in the consolidated income statement	1,586,786
Exchange realignment	77,296
	<hr/>
At 31 March 2008 and 1 April 2008 (audited)	2,790,400
Reclassification to prepaid lease payment	(2,892,801)
Exchange realignment	102,401
	<hr/>
At 30 September 2008 (unaudited)	–
	<hr/> <hr/>

12. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise leasehold land and land use rights in the PRC under medium-term leases.

Analysed for reporting purposes as:

	30.9.2008	31.3.2008
	HK\$'000	<i>HK\$'000</i>
	(unaudited)	(audited)
Current asset	89,451	63
Non-current asset	3,443,868	2,741
	<hr/>	<hr/>
	3,533,319	2,804
	<hr/> <hr/>	<hr/> <hr/>

13. TRADE AND OTHER RECEIVABLES

	30.9.2008 HK\$ '000 (unaudited)	31.3.2008 HK\$ '000 (audited)
Trade receivables	221,808	713,647
Less: reclassified as assets held for sale (<i>note 14(a)</i>)	(221,666)	–
	142	713,647
Other receivables	31,241	271,169
	31,383	984,816

The Group currently allows credit periods ranging from 30 days to 180 days to its trade customers. Longer credit periods are granted to several well established customers with long business relationship.

The following is an aged analysis of trade receivables at the balance sheet date:

	30.9.2008 HK\$ '000 (unaudited)	31.3.2008 HK\$ '000 (audited)
0-30 days	111	145,702
31-90 days	31	447,127
91-180 days	–	112,710
Over 180 days	–	8,108
	142	713,647

14. ASSETS CLASSIFIED AS HELD FOR SALE

On 25 August 2008, a sale and purchase agreement was entered into with an independent third party to dispose the entire issued share capital of Best Concord Group.

The major classes of assets and liabilities of Best Concord Group at 30 September 2008 which are classified as assets held for sale are as follows:

	Carrying amount upon being classified as held for sale
	<i>HK\$'000</i>
Assets	
Property, plant and equipment	128,829
Prepaid lease payments	2,875
Inventories	169,636
Trade and other receivables (<i>Note a</i>)	357,473
Pledged bank deposits	431,061
Bank balances and cash	903,226
	<hr/>
Assets classified as held for sale	1,993,100
	<hr/>
Liabilities	
Trade and other payables (<i>Note b</i>)	362,815
Taxation payable	136,904
Derivative financial instruments	15,053
Bank borrowings	1,073,304
Deferred tax liabilities	61,100
	<hr/>
Liabilities associates with assets classified as held for sale	1,649,176
	<hr/>
Net assets of operation classified as held for sale	343,924
	<hr/> <hr/>

(a) Trade and other receivables

	30.9.2008 HK\$'000 (unaudited)
Trade receivables	221,666
Other receivables	135,807
	<hr/>
	357,473
	<hr/> <hr/>

The Group currently allows credit periods ranging from 30 days to 180 days to its trade customers. Longer credit periods are granted to several well established customers with long business relationship.

The following is an aged analysis of trade receivables at the balance sheet date:

	30.9.2008 HK\$'000 (unaudited)
0-30 days	96,521
31-90 days	107,864
91-180 days	13,364
Over 180 days	3,917
	<hr/> 221,666 <hr/> <hr/>

(b) Trade and other payables

	30.9.2008 HK\$'000 (unaudited)
Trade payables	291,888
Other payables	70,927
	<hr/> 362,815 <hr/> <hr/>

The following is an aged analysis of trade payables at the balance sheet date:

	30.9.2008 HK\$'000 (unaudited)
0-90 days	283,313
91-180 days	3,014
Over 180 days	5,561
	<hr/> 291,888 <hr/> <hr/>

15. TRADE AND OTHER PAYABLES

	30.9.2008 HK\$'000 (unaudited)	31.3.2008 <i>HK\$'000</i> (audited)
Trade payables	302,751	131,479
Less: reclassified as assets held for sale (<i>note 14(b)</i>)	(291,888)	–
	10,863	131,479
Dividend payables	1,102	1,102
Other payables	312,205	164,054
	324,170	296,635

The following is an aged analysis of trade payables at the balance sheet date:

	30.9.2008 HK\$'000 (unaudited)	31.3.2008 <i>HK\$'000</i> (audited)
0–90 days	8	105,523
91–180 days	–	13,598
Over 180 days	10,855	12,358
	10,863	131,479

16. BANK BORROWINGS

During the period, the Group obtained new bank loans and trust receipt and import loans amounting to approximately HK\$687,183,000 (2007: HK\$1,220,725,000) and repaid loans amounting to approximately HK\$929,000,000 (2007: HK\$1,072,241,000). As at 30 September 2008, bank borrowings amounting to approximately HK\$1,073,304,000 (2007: HK\$1,292,267,000) were classified as liabilities associated with assets held for sale.

The bank loans bear interest at prevailing market rates and are repayable within one year.

17. SHARE CAPITAL

Ordinary shares of HK\$0.05 each

	Number of shares	Amount HK\$ '000
Authorised:		
At 1 April 2007, 31 March 2008 and 30 September 2008	<u>10,000,000,000</u>	<u>500,000</u>
Issued and fully paid:		
At 1 April 2007 (audited)	787,824,683	39,391
Issue of new shares upon exercise of share options	35,778,420	1,789
Issue of new shares by way of right issues	397,017,341	19,851
Issue of new shares upon exercise of warrants	<u>1,844,249</u>	<u>92</u>
At 31 March 2008 (audited)	1,222,464,693	61,123
Issue of new shares upon exercise of warrants	<u>117,600</u>	<u>6</u>
At 30 September 2008 (unaudited)	<u>1,222,582,293</u>	<u>61,129</u>

18. PLEDGE OF ASSETS

At the balance sheet date, certain bank facilities of the Group were secured by the bank deposits of approximately HK\$431 million (31 March 2008: HK\$662 million). As at 30 September 2008, it was classified as assets held for sale.

19. CONTINGENT LIABILITIES

The Group has no significant contingent liabilities at the balance sheet date.

20. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES

During the period, the Group acquired certain properties and its related assets and liabilities through public auction, at a consideration of approximately RMB1,420 million (equivalent to approximately HK\$1,605 million) from 天津海泰控股集團有限公司 (Tianjin Hi-Tech Holding Group Company Limited*) ("Tianjin Hi-Tech"), an independent third party. The purchase was by way of acquisition of the entire equity interests of 天津海泰新星房地產開發有限公司 (Tianjin Hi-Tech New Star Property Development Company Limited*).

INTERIM REPORT 2008/09

During the six months period ended 30 September 2007, the Group acquired certain properties and its related assets and liabilities through public auction, at a consideration of RMB2,026 million (approximately HK\$2,067 million) from Tianjin Hi-Tech. The purchase was by way of acquisition of the entire equity interests of 天津海泰新星投資有限公司 (Tianjin Hi-Tech New Star Investment Company Limited*) and 天津海泰陽光投資有限公司 (Tianjin Hi-Tech Sun Investment Company Limited*).

Those transactions have been accounted as a purchase of assets and liabilities.

	2008 HK\$'000 (unaudited)	2007 HK\$'000 (unaudited)
Net assets acquired:		
Investment properties	–	1,105,290
Prepaid lease payment	685,243	–
Properties under development	919,334	961,230
Bank balances and cash	19	35
Trade and other payables	(19)	(35)
	<u>1,604,577</u>	<u>2,066,520</u>
Total consideration satisfied by cash	<u>1,604,577</u>	<u>2,066,520</u>
Net cash outflow arising on acquisition:		
Bank balance and cash acquired	19	35
Cash consideration paid	(1,604,577)	(2,066,520)
	<u>(1,604,558)</u>	<u>(2,066,485)</u>

21. RELATED PARTY TRANSACTION

During the period, the Group has entered into a sale and purchase agreement with Grace Dragon International Holdings Limited which is wholly-owned by Mr. Pan Su Tong, a director and substantial shareholder of the Company for the disposal of the entire equity interest in 松日數碼科技(深圳)有限公司 (Matsunichi Digital Technology (Shenzhen) Company Limited*), a wholly-owned subsidiary of the Company at a consideration of approximately RMB100 million.

During the six months period ended 30 September 2007, the Group acquired the entire equity interest of Eagle Achieve Limited from Mr. Pan Su Tong at a cash consideration of HK\$980,000.

* English names are for identification purpose only.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Performance

During the six months ended 30 September 2008 (the "Period"), the Group recorded a net profit of HK\$588 million (2007: HK\$558 million), represent an increase of 5.4% over the same period last year. The increase was mainly attributable to the gains on derivative financial instruments included within the profit from continuing operations of HK\$317 million; and the profit from discontinued operations of HK\$271 million.

The Group recorded a turnover from discontinued operations of HK\$3,091 million (2007: HK\$1,461 million) for the Period and the gross profit margin was dropped to 13.4% from 13.8% as compared with same period last year.

Financial Position and Capital Structure

As at 30 September 2008, the Group had approximately HK\$2,390 million of cash on hand of which HK\$1,487 million included in continuing operations and HK\$903 million included in assets held for sale. The strong cash position has paved the way to finance the working capital requirements of the Group. The total short-term bank borrowings included in liabilities associated with assets held for sale decreased from HK\$1,292 million as at 31 March 2008 to HK\$1,073 million as at 30 September 2008. The gearing ratio (defined as total bank borrowings on shareholders' equity) decreased from 32% as at 31 March 2008 to 22% as at 30 September 2008. The Group's liquidity position remained healthy, with a current ratio of 2.8 times as at 30 September 2008 as compared with 3.2 times as at 31 March 2008.

Foreign Exchange Risk

The Group's sales and purchase transactions are primarily denominated in either Hong Kong dollars, Renminbi and US dollars. The Group did not face significant risk from exposure to foreign exchange fluctuations for the six months ended 30 September 2008.

Business Review

PRC property development business

The Group ventured into the property development business in the PRC in 2007 to generate diversified income stream and enhance earnings growth, in response to the strong appetite for commercial and residential properties as the Chinese economy continues its robust growth. It aims to become a premier developer of high-end properties.

China has been advancing at a tremendous pace. The mainland's economic development has been developing faster than ever; the Chinese citizens' and foreign investors' demand for functional residential and commercial properties has now been re-focused on quality and support facilities. With its base in Hong Kong, the Group has been gaining a foothold in Tianjin to prepare itself to enter the world property market. With a strong cash position, the Group has been exploring outstanding projects in high potential cities, establishing its reputation in developing premier property projects and metropolitans, in order to enhance the cities' overall image.

Tianjin's economic development is among the fastest in China. According to a recent report by an international property consultancy firm, Tianjin's foreign direct investment utilized has recorded a year-on-year growth of 53.7% for the period of January to April 2008. In view of the potential economic development of Tianjin as the next economic powerhouse for fast-developing China after Shenzhen and Shanghai, more investors are expected to set up their offices in Tianjin and more people will be visiting and working in Tianjin. This would boost demand for quality properties.

Goldin Properties launched its flagship "Goldin Metropolitan" project in Tianjin in 2007 to grasp this golden opportunity. Tianjin possesses a long history and is a significant metropolitan area in northern China. The fusion of old and new culture brings challenges to the city which inspired the designers' creativity. The Group is determined to show our ability to modernize a city and enhance its value through this pilot project. This flagship project will be a mega project with a new central business district (CBD) and community concept. A 117-storey Grade-A office building Goldin Finance 117, is to be located in the CBD which will be a landmark in the city centre of Tianjin. This high-end commercial and residential complex has an aggregate planned gross floor area of around 1.6 million square metres, in which around 600,000 square metres would be for residential use and the rest for commercial and cultural use. The residential components comprise villa, serviced apartments and high-end residential units, while the commercial ones include office, retail, 5-star hotel and convention centre. The project has been already kicked off in full speed. The target clientele include multinational corporations, senior executives stationed in Tianjin, locals desiring high-end quality residence and local government bureaus. Some government bureaus have confirmed they will set up their offices in the area.

Given the unique economic and geographical advantages, together with the support of government policy, the Group is confident about the prospects of property development in Tianjin. Tianjin is positioned as the economic centre in the north of China by the Chinese government, and such positioning is favourable to the city's further development.

The project is strategically located in Tianjin and easily accessible to the city centre and Beijing, the capital city. It takes around 10 to 15 minutes to reach the city centre by car, and an exit of Line no.3 of Tianjin subway will be located close to the site. With the opening of Beijing-Tianjin Intercity Rail in August 2008, one can travel to and from Beijing and Tianjin in 27 minutes by this rail. The traveling time by car has been reduced to between 1 and 1.5 hours with the opening of the second phase of Jingjintang Expressway in June 2008. A new terminal of Tianjin Binhai International Airport was opened in May 2008, which makes traveling to Tianjin by air more convenient. It takes around 25 minutes by car from the site to the airport.

Consumer electronics business

The Group divested the digital and electronic consumer products business and to focus its capital and management resources on property investment and development upon the approval of the disposal by shareholders in the extraordinary general meeting (“EGM”) held on 28 October 2008.

New Company Name, New Business Focus

To reflect the change in corporate strategy of the Company to focus on the business of property development and to align the name of the Company with the Goldin Project, the name of the Company has been changed to “Goldin Properties Holdings Limited 高銀地產控股有限公司” on 6 November 2008.

Prospects

Looking forward, with the Group’s confidence in the Chinese economy and our ever-growing management team, apart from actively pursuing the development of its project in Tianjin, Goldin has been actively looking for suitable land sites in a number of cities with good potentials, so as to increase our land bank. The growth potential of various cities is our prime consideration in formulating our plan of property projects in China. We are committed to developing premier and quality property projects in mainland cities that have great development potential. The Group will explore more business opportunities with the aim of realizing and sharing the gains brought by the rapid growth of the Chinese economy with our shareholders and investors.

Material Disposals

On 10 June 2008, the Company entered into the Agreement pursuant to which the Company conditionally agreed to sell the entire equity interest in a subsidiary, 松日數碼科技(深圳)有限公司 (Matsunichi Digital Technology (Shenzhen) Company Limited*) (the “subsidiary”) for a cash consideration of approximately RMB100 million to Grace Dragon International Holdings Limited, a private company the issued share capital of which is ultimately beneficially wholly owned by Mr. Pan Su Tong (“Mr. Pan”), the Chairman of the Group. The subsidiary is a wholly foreign owned enterprise established in the PRC in May 2003, but has not carried on business since its establishment.

* English name is for identification purpose only.

On 25 August 2008, the Group entered into an agreement with Absolute Glory Limited (the “Purchaser”), as supplemented by a supplemental agreement dated 25 September 2008, pursuant to which the Company conditionally agreed to sell and the Purchaser conditionally agreed to purchase the entire issued share capital of Best Concord Group Limited (“Best Concord”), for a cash consideration of HK\$800 million, which consideration is subject to an adjustment to an amount equivalent to the unaudited consolidated net asset of Best Concord as at 30 September 2008. The disposal constitutes a very substantial disposal for the Company under the Rules Governing the Listing of Securities and The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and was approved by shareholders at the EGM on 28 October 2008.

EMPLOYEES AND REMUNERATION POLICIES

The total staff costs incurred for the Period including directors’ remuneration amounted to approximately HK\$31 million (2007: HK\$21 million). The number of staff was 678 as at 30 September 2008.

The remuneration policy and package of the Group’s employees are structured by reference to market terms and statutory requirements as appropriate. In addition, the Group also provides other staff benefits such as medical insurance, mandatory provident fund and share options to its employees.

POST-BALANCE SHEET EVENT

Pursuant to a special resolution passed at the EGM held on 28 October 2008 and the approval was obtained by the Registrar of Companies in Hong Kong on 6 November 2008, the name of the Company has been changed from “Matsunichi Communication Holdings Limited 松日通訊控股有限公司” to “Goldin Properties Holdings Limited 高銀地產控股有限公司” to reflect the change in corporate strategy of the Group to focus on the business of property investment and development and to align the name of the Group with the Goldin Project.

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

As at 30 September 2008, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV to the SFO) which are 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 Securities and Futures Ordinance (the "SFO") (including interests and short positions which he is taken or deemed to have under such provisions of SFO); or are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), to be notified to the Company and the Stock Exchange were as follows:

(a) Interests in the Shares

Name of Director/ chief executive	Long position/ short position	Capacity	Number of Shares held	Approximate percentage of the issued share capital of the Company (Note 3)
Mr. Pan	Long position	Interest held as beneficial owner and through controlled corporation	731,271,341 (Note 1)	59.81%
	Short position	Interest held through controlled corporation	79,053,000 (Note 2)	6.47%
Professor Huang Xiaojian	Long position	Beneficial owner	244,210	0.02%
Mr. Zhou Xiaojun ("Mr. Zhou")	Long position	Beneficial owner	280,000	0.023%

(b) Interests in the Warrants

Name of Director/ chief executive	Long position/ short position	Capacity	Number of underlying shares held <i>(Note 4)</i>	Approximate percentage of the issued share capital of the Company <i>(Note 3)</i>
Mr. Pan	Long position	Interest held as beneficial owner and through controlled corporation	66,280,332	5.42%
Mr. Zhou	Long position	Beneficial owner	16,200	0.001%

(c) Interests in the Convertible Bonds

Name of Director/ chief executive	Long position/ short position	Capacity	Number of underlying shares held <i>(Note 5)</i>	Approximate percentage of the issued share capital of the Company <i>(Note 3)</i>
Mr. Pan	Long position	Interest held as beneficial owner and through controlled corporation	220,934,447	18.07%

Notes:

- 71,637,000 Shares were held by Mr. Pan in his personal capacity, 659,134,341 Shares were held by Goldin Group (Investment) Limited (formerly known as Jade Forest Limited) ("Goldin Group (Investment)") and 500,000 Shares were held by Clear Jade International Limited ("Clear Jade"). Clear Jade was 100% owned by Mr. Pan and Goldin Group (Investment) was 100% owned by Goldin Real Estate Financial Holdings Limited ("Goldin Real Estate Financial") which in turn was 100% owned by Mr. Pan as at 30 September 2008. Accordingly, Mr. Pan was deemed to be interested in the 659,134,341 Shares held by Goldin Group (Investment) and 500,000 Shares held by Clear Jade. Goldin Group (Investment) being a holding company of the Company is also an associated corporation of the Company within the meaning of Part XV of the SFO.

2. This short position in Shares represents the short position in Shares held by Goldin Group (Investment). Goldin Group (Investment) was 100% owned by Goldin Real Estate Financial which in turn was 100% owned by Mr. Pan as at 30 September 2008. Accordingly, Mr. Pan was deemed to be interested in the short position in Shares held by Goldin Group (Investment).
3. As at 30 September 2008, the issued share capital of the Company was 1,222,582,293 Shares.
4. Mr. Pan and Goldin Group (Investment) held 366,900 units and 65,913,432 units of Warrants, respectively, as at 30 September 2008. Upon full exercise of the subscription rights attaching to the Warrants at the subscription price of HK\$6 per Share, 366,900 Shares and 65,913,432 Shares will be issued to Mr. Pan and Goldin Group (Investment) respectively. Goldin Group (Investment) was 100% owned by Goldin Real Estate Financial which in turn was 100% owned by Mr. Pan as at 30 September 2008. Accordingly, Mr. Pan was deemed to be interested in the Warrants held by Goldin Group (Investment).
5. Mr. Pan and Goldin Group (Investment) held the Convertible Bonds with nominal value of HK\$7,338,000 and HK\$1,318,268,682 respectively as at 30 September 2008. Upon full conversion of the Convertible Bonds at the conversion price of HK\$6 per Share, 1,223,000 Shares and 219,711,447 Shares will be issued to Mr. Pan and Goldin Group (Investment) respectively. Goldin Group (Investment) was 100% owned by Goldin Real Estate Financial which in turn was 100% owned by Mr. Pan as at 30 September 2008. Accordingly, Mr. Pan was deemed to be interested in the Convertible Bonds held by Goldin Group (Investment).

Save as disclosed above, none of the Directors and chief executives of the Company had any interests and short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are 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 he is taken or deemed to have under such provisions of SFO); or are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or are required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange as at 30 September 2008.

SUBSTANTIAL SHAREHOLDERS

As at the 30 September 2008, so far as known to any Director and chief executive of the Company, persons other than a Director or chief executive of the Company, who has an interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group were as follows:

(a) Interests in the Shares

Name of shareholder	Long position/ short position	Capacity	Number of Shares held	Approximate percentage of the issued share capital of the Company (Note 3)
Goldin Group (Investment) (Note 1)	Long position	Beneficial owner	659,134,341	53.91%
	Short position	Beneficial owner	79,053,000	6.47%
Atlantis Investment Management Ltd	Long position	Investment manager	155,310,000	12.70%
Northern Trust Fiduciary Services (Ireland) Limited (Note 2)	Long position	Investment manager	62,028,000	5.07%

(b) Interests in the Warrants

Name of shareholder	Long position/ short position	Capacity	Number of underlying shares held (Note 4)	Approximate percentage of the issued share capital of the Company (Note 3)
Goldin Group (Investment) (Note 1)	Long position	Beneficial owner	65,913,432	5.39%

(c) Interests in the Convertible Bonds

Name of shareholder	Long position/ short position	Capacity	Number of underlying shares held <i>(Note 5)</i>	Approximate percentage of the issued share capital of the Company <i>(Note 3)</i>
Goldin Group (Investment) <i>(Note 1)</i>	Long position	Beneficial owner	219,711,447	17.97%

Notes:

1. As at 30 September 2008, Goldin Group (Investment) was 100% owned by Goldin Real Estate Financial which in turn was 100% owned by Mr. Pan.
2. According to a disclosure of interest notice filed by Northern Trust Fiduciary Services (Ireland) Limited on 17 January 2007, the 62,028,000 Shares were held by Northern Trust Fiduciary Services (Ireland) Limited as trustee for Baring Hong Kong China Fund. Baring Asset Management Limited was also deemed to be interested in the 62,028,000 Shares as an investment manager.
3. As at 30 September 2008, the issued share capital of the Company was 1,222,582,293 Shares.
4. Goldin Group (Investment) held 65,913,432 units of the Warrants as at 30 September 2008. Upon full exercise of the subscription rights attaching to the Warrants at the subscription price of HK\$6 per Share, 65,913,432 Shares will be issued to Goldin Group (Investment).
5. Goldin Group (Investment) held the convertible bonds with a nominal value of HK\$1,318,268,682 as at 30 September 2008. Upon full conversion of the convertible bonds at the conversion price of HK\$6 per Share, 219,711,447 Shares will be issued to Goldin Group (Investment).

Save as disclosed above, so far as known to any Director and chief executive of the Company, there were no persons other than a Director or chief executive of the Company, who has an interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group as at the 30 September 2008.

SHARE OPTIONS

Pursuant to the share option scheme (the "Scheme") adopted on 27 August 2002 by a resolution passed by the Company's shareholders on the same date, the Directors of the Company may grant options as incentives to any participants as described in the Scheme for the shares in the Company within a period of ten years commencing from 27 August 2002 at the price determined by the Directors of the Company. Such price shall not be lower than the higher of (i) the closing price of the Company's shares on the Stock Exchange on the date of grant; (ii) the average of the closing prices of the Company's shares on the Stock Exchange for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares. The maximum number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the total number of shares of the Company on the date of adopting the Scheme. An option may be exercised at any time within ten years from the date of grant of the relevant option.

The following tables disclose details of the Company's share option movements during the six months ended 30 September 2008:

(i) Employees (other than Directors)

Date of grant	Subscription price per share HK\$	Exercisable period	Number of share options				
			Outstanding at 1.4.2008	Exercised during the period	Lapsed during the period	Granted during the period	Outstanding at 30.9.2008
5.2.2004	1.20	5.2.2005 to 4.2.2014	336,315	-	-	-	336,315
5.2.2004	1.20	5.2.2005 to 4.2.2014	336,315	-	-	-	336,315
20.4.2004	1.42	20.4.2004 to 19.4.2014	567,783	-	-	-	567,783
28.9.2005	1.32	28.9.2005 to 27.9.2015	1,621,050	-	-	-	1,621,050
27.11.2007	6.56	27.11.2007 to 26.11.2017	10,000,000	-	-	-	10,000,000
			<u>12,861,463</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,861,463</u>

(ii) Other participants

	Subscription price per share HK\$	Exercisable period	Number of share options				
			Outstanding at 1.4.2008	Exercised during the period	Lapsed during the period	Granted during the period	Outstanding at 30.9.2008
5.2.2004	1.20	5.2.2005 to 4.2.2014	761,570	-	-	-	761,570
5.2.2004	1.20	5.2.2005 to 4.2.2014	1,896,305	-	-	-	1,896,305
20.4.2004	1.42	20.4.2004 to 19.4.2014	367,695	-	-	-	367,695
27.11.2007	6.56	27.11.2007 to 26.11.2017	64,000,000	-	-	-	64,000,000
			<u>67,025,570</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,025,570</u>

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 September 2008, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") in Appendix 14 of the Listing Rules during the six months ended 30 September 2008, except the followings:

- (1) Code provision A.2.1 of the CG Code specifies that the roles of chairman and chief executive officer should be separate and should not be performed by the same person. Currently, Mr. Pan is serving both as the chairman and chief executive officer of the Company. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company. The balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals and decisions of the Board are made by way of majority voting. The Board believes that this structure is conducive to strong and consistent leadership, enabling the Group to make and implement decisions promptly and efficiently. Notwithstanding the above, the Board will review the current structure from time to time. If candidate with suitable leadership, knowledge, skill and experience can be identified within or outside the Group, the Company may make necessary changes at appropriate time.

- (2) Code provision A.4.1 of the CG Code specifies that non-executive directors should be appointed for a specific term, subject to re-election. Currently, all the independent non-executive directors are not appointed for a specific term but are subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Articles of Association of the Company.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules as the guidelines for the Directors' dealings in the securities of the Company. Upon specific enquiry by the Company, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 September 2008.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors namely Mr. Lai Chi Kin, Lawrence, Dr. Ng Lai Man, Carmen and Dr. Cheng Kwan Wai, Sunny.

The Audit Committee, together with the management of the Company, have reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including the review of the unaudited consolidated interim financial statements of the Group for the six months ended 30 September 2008.

On behalf of the Board
Goldin Properties Holdings Limited
Pan Su Tong
Chairman

Hong Kong, 24 November 2008