



高銀地產

GOLDIN PROPERTIES

**Goldin Properties Holdings Limited**

高銀地產控股有限公司

Stock Code: 00283

2009/10  
Interim Report

# CORPORATE INFORMATION

## Directors

Pan Sutong (*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

Chan Suk Yin

## Registered Office

22nd Floor, Two International Finance Centre

8 Finance Street, Central

Hong Kong

## Principal Banker

The Hongkong and Shanghai Banking Corporation Limited

## Auditor

Deloitte Touche Tohmatsu

## Registrar and Transfer Office

Tricor Secretaries Limited

26th Floor, Tesbury Centre

28 Queen's Road East

Hong Kong

## Website

<http://www.goldinppt.com>



The board of directors (the "Board" or the "Directors") of Goldin Properties Holdings Limited ("Goldin 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 30th September 2009.

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30th September 2009

	Notes	Six months ended 30th September	
		2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)
<b>Continuing operations:</b>			
Turnover	3	—	—
Cost of sales		—	—
Gross profit		—	—
Other operating income	4	3,672	331
Administrative expenses		(106,295)	(97,075)
Finance costs		(16,937)	(99,498)
(Losses) gains on derivative financial instruments	5	(60,345)	515,525
Increase in fair value of investment properties		1,684,218	—
Profit before taxation	6	1,504,313	319,283
Taxation	7	(442,243)	—
Profit for the period from continuing operations		1,062,070	319,283
<b>Discontinued operations:</b>			
Profit for the period from discontinued operations	8	—	268,783
Profit for the period		1,062,070	588,066
<b>Other comprehensive income</b>			
Exchange differences arising on translation of foreign operations		79,272	172,686
Total comprehensive income for the period		1,141,342	760,752
Dividends	9	—	—
<b>Earnings per share</b>			
10			
From continuing and discontinued operations			
Basic		HK86.87 cents	HK48.10 cents
Diluted		HK69.07 cents	HK21.53 cents
From continuing operations			
Basic		HK86.87 cents	HK26.12 cents
Diluted		HK69.07 cents	HK3.24 cents

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30th September 2009

	Notes	30.9.2009 HK\$'000 (unaudited)	31.3.2009 HK\$'000 (audited)
<b>Non-current assets</b>			
Property, plant and equipment		32,374	79,152
Investment properties	11	5,596,890	2,419,330
Prepaid lease payments	12	—	1,205,780
Intangible assets		90	90
		<b>5,629,354</b>	3,704,352
<b>Current assets</b>			
Properties under development		2,062,653	1,937,880
Trade and other receivables and deposits	13	258,658	328,216
Amounts due from related companies		2,451	82
Pledged bank deposits		1,000	1,000
Bank balances and cash		1,199,327	1,331,453
		<b>3,524,089</b>	3,598,631
Assets classified as held for sale		<b>323,559</b>	323,559
		<b>3,847,648</b>	3,922,190
<b>Current liabilities</b>			
Trade and other payables	14	708,264	611,152
Amount due to a related company		32,542	6,542
Taxation payable		64,832	20,111
Obligations under finance leases			
— amount due within one year		44	44
		<b>805,682</b>	637,849
Liabilities directly associated with assets classified as held for sale		<b>305,100</b>	305,100
		<b>1,110,782</b>	942,949
<b>Net current assets</b>		<b>2,736,866</b>	2,979,241
<b>Total assets less current liabilities</b>		<b>8,366,220</b>	6,683,593
<b>Non-current liabilities</b>			
Obligations under finance leases			
— amount due after one year		116	134
Derivative financial instruments		22,824	27,270
Convertible bonds		1,659,197	1,539,673
Deferred tax liabilities		713,941	292,886
		<b>2,396,078</b>	1,859,963
		<b>5,970,142</b>	4,823,630
<b>Capital and reserves</b>			
Share capital	15	61,139	61,129
Reserves		5,909,003	4,762,501
<b>Total equity</b>		<b>5,970,142</b>	4,823,630

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th September 2009

	Share capital HK\$'000	Share premium HK\$'000	Share-based compensation reserve HK\$'000	Translation reserve HK\$'000	Equity participants reserve HK\$'000	Capital redemption reserve HK\$'000	PRC statutory reserve HK\$'000	Retained profits HK\$'000	Total equity attributable to owners of the Company HK\$'000
At 1st April 2009 (audited)	61,129	2,962,745	27,307	292,520	(185,918)	173	—	1,665,674	4,823,630
Profit for the period	—	—	—	—	—	—	—	1,062,070	1,062,070
Exchange difference arising on translation recognised directly in equity	—	—	—	79,272	—	—	—	—	79,272
Total comprehensive income for the period	—	—	—	79,272	—	—	—	1,062,070	1,141,342
Recognition of equity-settled share-based payments	—	—	4,906	—	—	—	—	—	4,906
Exercise of share options	10	339	(85)	—	—	—	—	—	264
Lapse of share options	—	—	(94)	—	—	—	—	94	—
At 30th September 2009 (unaudited)	61,139	2,963,084	32,034	371,792	(185,918)	173	—	2,727,838	5,970,142
At 1st April 2008 (audited)	61,123	2,961,700	33,760	305,578	(201,860)	173	74,278	854,650	4,089,402
Profit for the period	—	—	—	—	—	—	—	588,066	588,066
Exchange difference arising on translation recognised directly in equity	—	—	—	172,686	—	—	—	—	172,686
Total comprehensive income for the period	—	—	—	172,686	—	—	—	588,066	760,752
Exercise of warrants	6	1,045	—	—	—	—	—	—	1,051
At 30th September 2008 (unaudited)	61,129	2,962,745	33,760	478,264	(201,860)	173	74,278	1,442,716	4,851,205

# CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30th September 2009

	Six months ended 30th September	
	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)
Net cash (used in) from operating activities, including discontinued operations	(9,824)	1,319,310
Net cash used in investing activities, including discontinued operations	(95,444)	(1,346,517)
Net cash used in financing activities, including discontinued operations	(26,441)	(419,210)
Net decrease in cash and cash equivalents	(131,709)	(446,417)
Cash and cash equivalents at the beginning of the period	1,331,453	2,800,033
Effect of foreign exchange rate changes	(417)	36,819
Cash and cash equivalents at the end of the period	1,199,327	2,390,435
<b>Analysis of balances of cash and cash equivalents</b>		
Cash and cash equivalents of continuing operations		
— Bank balances and cash	1,199,327	1,487,209
Cash and cash equivalents included in assets held for sale		
— Bank balances and cash	—	903,226
	1,199,327	2,390,435

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 1. Basis of Preparation

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

## 2. Principal Accounting Policies

The condensed consolidated 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.

A number of new or revised Standards and Interpretations are effective for the financial year beginning on 1st April 2009. Except as described below, the same accounting policy, presentation and methods of computation have been followed in these condensed consolidated financial statements as were applied in the preparation of the Group's financial statements for the year ended 31st March 2009.

In the current period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations ("new HKFRSs") issued by HKICPA which are effective for the Group's financial year beginning on 1st April 2009.

HKAS 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised 2007)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) – Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1st July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

The adoption of these new HKFRSs had no material effect on the results and financial position of the Group for the current or prior accounting periods except for the impact as described below.

## 2. Principal Accounting Policies (Continued)

### **HKAS 1 (Revised) “Presentation of Financial Statements”**

HKAS 1 (Revised) has introduced a number of terminology changes (including revised titles for the condensed consolidated financial statements), and has resulted in a number of changes in presentation and disclosure. However, HKAS 1 (Revised) has had no impact on the reported results or financial position of the Group.

### **HKFRSs (Amendments) Improvements to HKFRSs issued in 2008**

The application of the amendment to HKAS 40 “Investment Property” as part of the Improvements to HKFRSs issued in 2008 has affected the accounting for properties under development as investment properties of the Group. The amendment to HKAS 40 brings such properties within the scope of HKAS 40 which, therefore, shall be accounted for under the fair value model (where fair value is reliably determinable) in accordance with the Group’s accounting policy.

In the past, the leasehold land and building elements of properties under development for future use as investment properties were accounted for separately. The leasehold land element was accounted for as prepaid lease payments and the building element was carried at cost less impairment in property, plant and equipment. The Group has applied the amendment to HKAS 40 prospectively from 1st April 2009 in accordance with the relevant transitional provision. As a result of the application of the amendment, the Group’s properties under development for future use as investment properties that include the leasehold land and building elements in prepaid lease payments and property, plant and equipment with carrying amount of approximately HK\$1,206 million and HK\$72 million as at 31st March 2009, respectively have been reclassified as investment properties as of 1st April 2009. Investment properties under development of which the fair value can be determined reliably have been measured at fair values as of 30th September 2009. The fair value of those properties as of 30th September 2009 amounted to HK\$5,597 million, with an increase in fair value of HK\$1,684 million being recognized in condensed consolidated statement of comprehensive income for the six months ended 30th September 2009. Details are set out in Note 11 to the condensed consolidated financial statements.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 2. Principal Accounting Policies (Continued)

### HKAS 23 (Revised) “Borrowing Cost”

The application of HKAS 23 (Revised) “Borrowing Cost” eliminates the option available under the previous version of the standard to recognise all borrowing costs immediately as an expense. To the extent that borrowing costs relate to the acquisition, construction or production of a qualifying asset, the revised standard requires that they should be capitalised as part of the cost of that asset. All other borrowing costs should be expensed as incurred.

The HKAS 23 (Revised) is generally to be applied respectively to borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after the effective date of the revised standard for the Group’s financial year beginning on or after 1st April 2009. The Group issued convertible bonds with an aggregate principle value of HK\$1,418,704,000 in 2007 with the purpose to raise fund for the acquisition of the entire issued share capital of certain subsidiaries. Accordingly, the interest expenses in relation to the convertible bonds amounting to HK\$107 million for the current period is capitalised in Investment Properties, Properties Under Development and Property, Plant and Equipment at approximately HK\$61 million, HK\$42 million and HK\$4 million, respectively.

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

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs issued in 2008 <sup>1</sup>
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 <sup>2</sup>
HKAS 27 (Revised 2008)	Consolidated and Separate Financial Statements <sup>1</sup>
HKAS 39 (Amendment)	Eligible hedged items <sup>1</sup>
HKFRS1 (Amendment)	Additional Exemptions for First-time Adopters <sup>3</sup>
HKFRS2 (Amendment)	Group Cash-settled Share-based Payment Transactions <sup>3</sup>
HKFRS 3 (Revised 2008)	Business Combinations <sup>1</sup>
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners <sup>1</sup>
HK(IFRIC) – Int 18	Transfers of Assets from Customers <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1st July 2009

<sup>2</sup> Amendments that are effective for annual periods beginning on or after 1st July 2009 or 1st January 2010, as appropriate

<sup>3</sup> Effective for annual periods beginning on or after 1st January 2010

<sup>4</sup> Effective for transfers on or after 1st July 2009

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 2. Principal Accounting Policies (Continued)

The adoption of HKFRS 3 (Revised 2008) may affect the Group's accounting for business combinations for which the acquisition dates are on or after the beginning of the first annual reporting period beginning on or after 1st April 2010. HKAS 27 (Revised 2008) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary that do not result in loss of control, which will be accounted for as equity transactions.

The Directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

## 3. Segment Information

The Group has adopted HKFRS 8 "Operating Segments" with effect from 1st April 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. In contrast, the predecessor Standard (HKAS 14 "Segment Reporting") required an entity to identify two sets of segments (business and geographical), using a risks and rewards approach, with the entity's 'system of internal financial reporting to key management personnel' serving only as the starting point for the identification of such segments.

The adoption of HKFRS 8 has no impact on the identification of the Group's reportable segments as information reported to the Group's Chief Executive Officer for the purposes of allocation and assessment of performance are the same as those segments previously reported under the predecessor Standard, which is analysed on the basis of the Group's operating divisions (i.e. property development and property investment).

For management purposes, the operations of the Group are currently divided into two businesses, which are property development and property investment.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 3. Segment Information (Continued)

The following is an analysis of the Group's revenues and results by operating segment for the six months ended 30th September 2009 under review:

	Continuing operations						Discontinued operations			
	Property development		Property investment		Total		Development and sales of digital consumer products		Consolidated	
	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)
<b>REVENUE</b>										
External sales	—	—	—	—	—	—	—	3,096,116	—	3,096,116
<b>RESULT</b>										
Segment results	(2,103)	(14,994)	1,680,856	(34,834)	1,678,753	(49,828)	—	380,052	1,678,753	330,224
Interest income					2,995	36	—	28,541	2,995	28,577
Unallocated corporate expenses					(100,153)	(46,952)	—	—	(100,153)	(46,952)
Finance costs					(16,937)	(99,498)	—	(113,111)	(16,937)	(212,609)
(Losses) gains on derivative financial instruments					(60,345)	515,525	—	32,140	(60,345)	547,665
Profit before taxation					1,504,313	319,283	—	327,622	1,504,313	646,905
Taxation					(442,243)	—	—	(58,839)	(442,243)	(58,839)
Profit for the period					1,062,070	319,283	—	268,783	1,062,070	588,066

Segment result represents the result incurred by each segment without allocation of central administration costs and directors' salaries and interest income. This is the measure reported to the Group's Chief Executive Officer for the purposes of resource allocation and assessment of segment performance.

## 4. Other Operating Income

	Six months ended 30th September					
	Continuing operations		Discontinued operations		Consolidated	
	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)
Exchange gain	—	202	—	19,580	—	19,782
Interest income	2,995	36	—	28,541	2,995	28,577
Others	677	93	—	16,052	677	16,145
	3,672	331	—	64,173	3,672	64,504

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 5. (Losses) Gains on Derivative Financial Instruments

	Six months ended 30th September					
	Continuing operations		Discontinued operations		Consolidated	
	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)
Fair value change on convertible option derivatives in convertible bonds	(64,791)	371,214	—	—	(64,791)	371,214
Fair value change on warrants	4,446	144,311	—	—	4,446	144,311
Fair value change on foreign currency forward contracts	—	—	—	32,140	—	32,140
	<b>(60,345)</b>	515,525	—	32,140	<b>(60,345)</b>	547,665

## 6. Profit Before Taxation

	Six months ended 30th September					
	Continuing operations		Discontinued operations		Consolidated	
	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)
Profit before taxation has been arrived at after charging:						
Depreciation of property, plant and equipment	1,336	1,576	—	7,011	1,336	8,587
Amortisation of trade marks	—	—	—	6,315	—	6,315
Amortisation of prepaid lease payments	—	44,725	—	33	—	44,758
Interest on:						
Bank borrowings wholly repayable within five years	—	—	—	113,111	—	113,111
Finance leases	9	21	—	—	9	21
Convertible bonds	—	99,477	—	—	—	99,477
Others	16,928	—	—	—	16,928	—
Share-based payment	4,906	—	—	—	4,906	—

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 7. Taxation

	Six months ended 30th September					
	Continuing operations		Discontinued operations		Consolidated	
	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)
The charge comprises:						
Current taxation						
PRC Enterprise						
Income Tax	(21,188)	—	—	(26,839)	(21,188)	(26,839)
Deferred tax	(421,055)	—	—	(32,000)	(421,055)	(32,000)
	<b>(442,243)</b>	—	—	(58,839)	<b>(442,243)</b>	(58,839)

No Hong Kong Profits Tax is provided as there was no assessable profit for the period neither arises in, nor is derived from, Hong Kong. Taxation arising in other countries or other regions in the PRC is calculated at the rates prevailing in the relevant jurisdiction.

PRC Enterprise Income Tax is provided at the applicable income tax rate of 25% on the assessable profits of certain subsidiaries in the PRC.

## 8. Discontinued Operations

On 25th 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 was subject to an adjustment to an amount equivalent to the unaudited consolidated net asset value of Best Concord Group as at the disposal date.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 8. Discontinued Operations (Continued)

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

### Profit for the period from discontinued operations

	Six months ended 30th September	
	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)
Turnover	—	3,096,116
Cost of sales	—	(2,681,869)
Gross profit	—	414,247
Other operating income	—	64,173
Selling and distribution costs	—	(28,744)
Administrative expenses	—	(41,083)
Finance costs	—	(113,111)
Gains on derivative financial instruments	—	32,140
Profit before taxation	—	327,622
Taxation	—	(58,839)
Profit for the period from discontinued operations	—	268,783
<b>Cash flows from discontinued operations</b>		
Net cash from operating activities	—	531
Net cash used in investing activities	—	(1,531)
Net cash used in financing activities	—	(355)
Net decrease in cash flows	—	(1,355)

## 9. Dividends

The Directors do not recommend the payment of an interim dividend for the six months ended 30th September 2009 (2008: Nil).

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 10. Earnings Per Share

	Six months ended 30th September	
	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)
<b>For continuing and discontinued operations</b>		
The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:		
<b>Earnings</b>		
Profit attributable to equity holders of the Company for the purpose of calculating basic earnings per share	<b>1,062,070</b>	588,066
Effect of dilutive potential ordinary shares		
— Fair value change on convertible option derivatives in convertible bonds	<b>64,791</b>	(371,214)
— Interest on convertible bonds	—	99,477
	<b>1,126,861</b>	316,329
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<b>1,222,606,469</b>	1,222,577,762
Effect of dilutive potential ordinary shares		
— share options	<b>3,433,666</b>	4,634,799
— convertible bonds	<b>405,344,072</b>	242,099,702
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<b>1,631,384,207</b>	1,469,312,263

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding warrants as the exercise price was higher than the average market price per share for both periods.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 10. Earnings Per Share (Continued)

	Six months ended 30th September	
	2009 HK\$'000 (unaudited)	2008 HK\$'000 (unaudited)
<b>For continuing operations</b>		
The calculation of the basic and diluted earnings per share from continuing operations attributable to the ordinary equity holders of the Company is based on the following data:		
<b>Earnings</b>		
Profit attributable to equity holders of the Company	<b>1,062,070</b>	588,066
Less:		
Profit for the period from discontinued operations	—	(268,783)
Profit for the purpose of calculating basic earnings per share from continuing operations	<b>1,062,070</b>	319,283
Effect of dilutive potential ordinary shares		
— Fair value change on convertible option derivatives in convertible bonds	<b>64,791</b>	(371,214)
— Interest on convertible bonds	—	99,477
Profit for the purpose of calculating diluted earnings per share from continuing operations	<b>1,126,861</b>	47,546

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



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 10. Earnings Per Share (Continued)

### For discontinued operations

Basic earnings per share attributable to the equity holders of the Company for the discontinued operations was HK21.98 cents per share (2009: Nil) and diluted earnings per share for discontinued operations was HK18.29 cents per share (2009: Nil) based on the profit attributable to equity holders of the Company from the discontinued operations of HK\$268,783,000 (2009: Nil) and the denominators detailed above for both basic and diluted earnings per share.

## 11. Investment Properties

	HK\$'000
At 1st April 2008 (audited)	2,790,400
Exchange realignment	102,400
Decrease in fair value recognised in the consolidated statement of comprehensive income	(473,470)
At 31st March 2009 and 1st April 2009 (audited)	2,419,330
Reclassification from prepaid lease payments	1,205,780
Reclassification from property, plant and equipment	71,923
Additions during the period	154,874
Interest capitalisation	60,765
Increase in fair value recognised in the condensed consolidated statement of comprehensive income	1,684,218
At 30th September 2009 (unaudited)	5,596,890

The fair value of the Group's investment properties as at 30th September 2009 and 31st March 2009 have been arrived at on the basis of a valuation carried out on that date by Savills Valuation and Professional Services Limited, independent qualified professional valuers not connected with the Group.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 12. Prepaid Lease Payments

The Group's prepaid lease payments represented land use rights in the PRC under medium-term leases, which were held for development for future use as investment properties.

## 13. Trade and Other Receivables and Deposits

	30.9.2009 HK\$'000 (unaudited)	31.3.2009 HK\$'000 (audited)
Trade receivables	1,269	1,269
Less: Allowance for doubtful debts	(1,269)	(1,269)
	—	—
Other receivables	73,824	146,673
Deposits	184,834	181,543
Total trade and other receivables and deposits	258,658	328,216

The Group currently allowed credit periods ranging from 30 days to 120 days to its trade customers. Longer credit periods were granted to several well established customers with long business relationship.

There is nil balance of trade receivables, net of allowance of doubtful debts at the reporting date and hence, no aged analysis is presented.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 14. Trade and Other Payables

An aged analysis of trade payables at the balance sheet date is set out as follows:

	30.9.2009 HK\$'000 (unaudited)	31.3.2009 HK\$'000 (audited)
0-90 days	83,895	32,933
Over 180 days	1,654	1,654
	<b>85,549</b>	34,587
Dividend payable	1,102	1,102
Other payables	621,613	575,463
	<b>708,264</b>	611,152

## 15. Share Capital

Ordinary shares of HK\$0.05 each

	Number of shares	Amount HK\$'000
Authorised:		
At 1st April 2008, 31st March 2009 and 30th September 2009	10,000,000,000	500,000
Issued and fully paid:		
At 1st April (audited)	1,222,464,693	61,123
Issue of new shares upon exercise of warrants	117,600	6
At 31st March (audited)	1,222,582,293	61,129
Issue of new shares upon exercise of share options	200,000	10
At 30th September 2009 (unaudited)	1,222,782,293	61,139

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 16. Share-Based Payment Transactions

The Company adopted a share option scheme (the "Scheme") on 27 August 2002 for the purpose of providing incentives or rewards to participants.

On 3rd August 2009, the Company granted 23,330,000 shares options to subscribe for ordinary shares of HK\$0.05 each of the Company to Directors, employees and other participants at the exercise price of HK\$3.30 per share. The earliest exercisable period of the share options granted are 3rd August 2010, 3rd August 2011 and 3rd August 2012.

The Group recognised share-based payment expenses at approximately HK\$4,906,000 in the condensed consolidated statement of comprehensive income for the period ended 30th September 2009 in relation to the share options granted by the Company on 3rd August 2009.

This fair value was calculated using the Binomial model. The inputs into the model for share options granted were as follows:

Expected volatility	68.2%
Risk-free rate	2.24%
Expected dividend yield	0%

200,000 (31st March 2009: Nil) and 450,000 (31st March 2009: Nil) share options were exercised and lapsed respectively during the period ended 30th September 2009.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2009

## 17. Pledge of Assets

At 30th September 2009, bank deposits of HK\$1,000,000 (31st March 2009: HK\$1,000,000) were pledged by the Group to a bank in order to secure general banking facilities granted by the bank to the Group.

## 18. Contingent Liabilities and Commitments

The Group has no significant contingent liabilities at the balance sheet date. As at 30th September 2009, the Group had commitments at approximately HK\$1,535 million (31st March 2009: HK\$1,217 million).

## 19. Related Party Transaction

During the period ended 30th September 2008, the Group had entered into a sale and purchase agreement with Grace Dragon International Holdings Limited which is wholly-owned by Mr. Pan Sutong, 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 period ended 30th September 2009, the Group has no material related party transaction entered into.

\* *English name is for identification purpose only.*

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL PERFORMANCE

During the six months ended 30th September 2009 (the “Period”), the Group recorded a net profit amounting to approximately HK\$1,062 million (2008: HK\$588 million), representing an increase of 80.6% over the same period last year. The increase was mainly attributable to the increase in fair value of investment properties at approximately HK\$1,684 million.

## BUSINESS REVIEW

### PRC Property Development Business

The Group ventured into the property development business in the PRC in 2007 and changed its name to “Goldin Properties Holdings Limited 高銀地產控股有限公司” on 6th November 2008 in response to the strong appetite for commercial and residential properties as the Chinese economy continues its robust growth. The Group aims to become a premier developer of high-end properties in the PRC.

Tianjin’s economic development is among the fastest growing in the PRC. The Group has seized this business opportunity to develop the flagship Tianjin Goldin Metropolitan project. This comprehensive commercial and residential development will transform the area into a community which meets everyone’s needs in living: quality accommodation for residents, an excellent working environment, as well as shopping and leisure facilities. The project kicked off after the foundation ceremony took place in December 2007.

### Tianjin Goldin Metropolitan Project

The Tianjin Goldin Metropolitan project is a high-end integrated development, with an aggregate planned gross floor area of around 1.89 million square metres. To form a new urban centre and set new benchmarks of quality in Tianjin, the project comprises an international central business district. It interlocks with a luxury shopping mall, within easy access to a high-end residential zone and is adjacent to a lush green international standard polo club with polo fields and club house.

#### i) *Residential Zone*

The Tianjin Goldin Metropolitan high-end residential district comprises a number of high-end, multi-storey residential buildings and low-density residential mansions. The district has a total site area of about 494,600 square metres.

# MANAGEMENT DISCUSSION AND ANALYSIS

## ii) *Central Business District*

The Central Business District comprises four functional areas: Commercial, Entertainment, Hotel & Convention and Serviced Apartment. The Central Business District also comprises the banking and finance building, the twin towers, the international convention centre, the headquarters buildings, a hip hotel, a serviced apartment, the Broadway theatre and a contemporary shopping facility.

One of the focal points of the Tianjin Goldin Metropolitan project is the Goldin Finance 117. It will be an iconic building in the PRC with a recommended height of 600 metres and 117 floors. Goldin Finance 117 offers international Grade-A standard office accommodation and the highest international standard 6-star hotel in the PRC.

## iii) *Tianjin Goldin Metropolitan Polo Club*

Another jewel on the crown of this project is the Tianjin Goldin Metropolitan Polo Club. Designed in modern European architecture style, Tianjin Goldin Metropolitan Polo Club comprises a polo clubhouse, an outdoor dining area, two international standard polo fields together with training facilities, auxiliary polo sports facilities and a theme park. Tianjin Goldin Metropolitan Polo Club will play a key role in hosting international polo tournaments and performances. The Polo Club has a total site area of about 898,800 square metres.

The project will be developed in three phases. Phase 1 development of the Tianjin Goldin Metropolitan will include the high-end residential district, the Polo Club and preliminary development of Goldin Finance 117. The properties may be used for re-sale or rental purposes depending on prevailing market conditions. The target clientele includes a broad spectrum of multinational corporations, senior executives stationed in Tianjin, businessmen, locals looking for high-end quality residence and local government bureaus.

The project is strategically located in Tianjin. It is conveniently served by public transport and easily accessible to the city centre and Beijing. It takes only around 20 minutes to reach Tianjin city centre by car from the site, and an exit of Line no. 3 of Tianjin Metro will be located close to the site. With the opening of Beijing-Tianjin intercity rail in August 2008, commuting between Beijing and Tianjin by rail takes only about 27 minutes. The traveling time by vehicles could be reduced by one hour 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 also makes traveling to Tianjin by air more convenient. It takes around 25 minutes to travel from the site to the airport by car.

# MANAGEMENT DISCUSSION AND ANALYSIS

## LIQUIDITY AND FINANCIAL RESOURCES

### Working capital and bank balances and cash

The Group's working capital as at 30th September 2009 amounted to approximately HK\$2,737 million (31st March 2009: HK\$2,979 million), representing a change of approximately 8.1% compared with last year of the same period.

As at 30th September 2009, the Group had approximately HK\$1.2 billion in bank balances and cash, compared with approximately HK\$1.3 billion as at 31st March 2009. The strong cash position has paved the way to finance the working capital requirements of the Group.

The Group's liquidity position remained healthy, with a current ratio of 3.46 times as at 30th September 2009 as compared with 4.16 times as at 31st March 2009.

### FOREIGN EXCHANGE RISK

The Group's transactions are primarily denominated in Hong Kong dollars and Renminbi. The Group did not face significant risk from exposure to foreign exchange fluctuations for the Period. The use of financial derivatives instruments is strictly controlled and solely for management of the Group's underlying exposures. It is the Group's policy not to enter into derivative transactions for speculative purposes.

### CONTINGENT LIABILITIES AND COMMITMENTS

The Group had no contingent liabilities as at 30th September 2009. As at 30th September 2009, the Group had commitments at approximately HK\$1,535 million (31st March 2009: HK\$1,217 million).





# MANAGEMENT DISCUSSION AND ANALYSIS

## PROSPECTS

### Outlook

Tianjin has experienced strong economic growth over the last 5 years, with significant increases in GDP and real estate investment. In the first half year of 2009, Tianjin's GDP increased by 16.2% to reach RMB3.15 billion, marking the second fastest growth among all cities in the mainland. The city's robust economy has proven to be a fundamental driver of the property market, spurring job creation and wage increases. Despite the current economic downturn, purchasing power and housing demand in the PRC are expected to remain robust because of strong household savings there.

Tianjin is positioned as the economic center in the northern China by the PRC Government, and thanks to favorable government policies, the Group is optimistic with the prospects of property development in Tianjin. According to a report by China's Ministry of Commerce, Tianjin's FDI utilized amounted to USD4.9 billion in the second quarter of 2009, up 20.52% compared with the same period in 2008. It shows economic activities were still active in Tianjin and that it remains a popular destination of foreign investment in the PRC. Tianjin's 11th five-year development plan for the period 2006 to 2010 proposes to begin construction of 70 million sq.m. of new residential space during the planned period.

In view of the potential economic development of Tianjin as the next economic powerhouse in the fast-developing PRC after Shenzhen and Shanghai, more businesses 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 residential and commercial properties, and Goldin Properties is ready to grasp the opportunities ahead.

Looking ahead, we are confident in turning crisis into opportunity. The slowing global economy may lead to lower cost of construction materials, but the Group is committed to its property development business in the PRC, and we are eager to further expand our land bank should such opportunities arise, so as to ensure sustainable growth in our property development business. While we aim to replicate the Central Business District model of our Tianjin Goldin Metropolitan project in future projects in other cities throughout the PRC, we would also consider other types of real estate development with good potentials. Goldin Metropolitan is the first mega development in Tianjin and we believe that the strategic approach being adopted to the establishment of high-end residential and commercial centres of this project represents a further step in the ongoing development of the property market in Tianjin. As part of this process, a large group of high purchasing buyers from overseas and domestic will settle in Tianjin, driving the demand for high-end properties and luxurious living style.

## MANAGEMENT DISCUSSION AND ANALYSIS

We are confident that the “Goldin” brand name will firmly establish itself in the PRC with the completion of the Tianjin Goldin Metropolitan project. First phase construction of the development is underway with 208,806 square metres of saleable area, launch in the format of furnished unit. The Group confirms launching of the Goldin Metropolitan in the first half of 2010.

### EMPLOYMENT AND REMUNERATION POLICY

As at 30th September 2009, the Group had about 111 (31st March 2009: 83) employees. The total staff costs incurred for the Period including directors’ remuneration amounted to approximately HK\$28 million (2008: HK\$31 million). The remuneration policy and package of the Group’s employees are structured by reference to market terms and statutory requirements where appropriate. In addition, the Group provides other staff benefits such as medical insurance, mandatory provident fund and a share option scheme to its employees.

## OTHER INFORMATION

### Directors' and Chief Executives' Interests in Shares, Underlying Shares and Debentures

As at 30th September 2009, the interests of the Directors and chief executives of the Company and their associates in shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and The Stock Exchange of Hong Kong Limited ("the Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules were as follows:

#### (a) Interests in 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 2)
Mr. Pan Sutong ("Mr. Pan")	Long position	Interest held as beneficial owner and through controlled corporation	782,239,341 (Note 1)	63.97%
Professor Huang Xiaojian ("Professor Huang")	Long position	Beneficial owner	244,210	0.02%
Mr. Zhou Xiaojun ("Mr. Zhou")	Long position	Beneficial owner	280,000	0.02%

## OTHER INFORMATION

### Directors' and Chief Executives' Interests in Shares, Underlying Shares and Debentures (Continued)

#### (b) Interests in warrants

Name of Director/ chief executive	Long position/ short position	Capacity	Number of underlying shares held	Approximate percentage of the issued share capital of the Company <i>(Note 2)</i>
Mr. Pan	Long position	Interest held as beneficial owner and through controlled corporation	66,280,332 <i>(Note 3)</i>	5.42%
Mr. Zhou	Long position	Beneficial owner	16,200	0.001%

#### (c) Interests in convertible bonds

Name of Director/ chief executive	Long position/ short position	Capacity	Number of underlying shares held	Approximate percentage of the issued share capital of the Company <i>(Note 2)</i>
Mr. Pan	Long position	Interest held as beneficial owner and through controlled corporation	378,744,765 <i>(Note 4)</i>	30.97%

## OTHER INFORMATION

### Directors' and Chief Executives' Interests in Shares, Underlying Shares and Debentures (Continued)

Notes:

1. 80,149,000 shares were held by Mr. Pan in his personal capacity, 659,134,341 shares were held by Goldin Group (Investment) Limited ("Goldin Group (Investment)") the immediate holding company of the Company and 42,956,000 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") the ultimate holding company of the Company, which in turn was 100% owned by Mr. Pan as at 30th September 2009. Accordingly, Mr. Pan was deemed to be interested in the 659,134,341 shares held by Goldin Group (Investment) and 42,956,000 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. As at 30th September 2009, the number of issued shares in the share capital of the Company was 1,222,782,293 shares.
3. Mr. Pan and Goldin Group (Investment) held 366,900 units and 65,913,432 units of warrants respectively as at 30th September 2009. 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 30th September 2009. Accordingly, Mr. Pan was deemed to be interested in the warrants held by Goldin Group (Investment).
4. 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 30th September 2009. Upon full conversion of the convertible bonds at the conversion price of HK\$3.50 per share (as adjusted on 27th August 2009), 2,096,571 shares and 376,648,194 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 30th September 2009. Accordingly, Mr. Pan was deemed to be interested in the convertible bonds held by Goldin Group (Investment).

Save as disclosed above and those as disclosed in the section headed "Discloseable Interests of Shareholders under the SFO" below, none of the Directors and chief executives of the Company or their associates had any interests 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 required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as at 30th September 2009.

## OTHER INFORMATION

### Discloseable Interests of Shareholders under SFO

As at 30th September 2009, the following persons or corporations (other than a Director or chief executive of the Company) had interests in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO and so far as is known to any Director or chief executive of the Company:

#### (a) Interests in shares

Name of shareholder	Long position/ short position	Capacity	Number of shares held	Approximate percentage of the issued share capital of the Company <i>(Note 2)</i>
Goldin Group (Investment) <i>(Note 1)</i>	Long position	Beneficial owner	659,134,341	53.90%
Atlantis Investment Management Ltd	Long position	Investment manager	121,506,000	9.94%

#### (b) Interests in underlying shares

##### (i) *Interests in warrants*

Name of shareholder	Long position/ short position	Capacity	Number of underlying shares held	Approximate percentage of the issued share capital of the Company <i>(Note 2)</i>
Goldin Group (Investment) <i>(Note 1)</i>	Long position	Beneficial owner	65,913,432 <i>(Note 3)</i>	5.39%

## OTHER INFORMATION

### Discloseable Interests of Shareholders under SFO (Continued)

#### (b) Interests in underlying shares (Continued)

##### (ii) *Interests in convertible bonds*

Name of shareholder	Long position/ short position	Capacity	Number of underlying shares held	Approximate percentage of the issued share capital of the Company <i>(Note 2)</i>
Goldin Group (Investment) <i>(Note 1)</i>	Long position	Beneficial owner	376,648,194 <i>(Note 4)</i>	30.80%

#### Notes:

1. As at 30th September 2009, Goldin Group (Investment) was 100% owned by Goldin Real Estate Financial which in turn was 100% owned by Mr. Pan.
2. As at 30th September 2009, the number of issued shares in the share capital of the Company was 1,222,782,293 shares.
3. Goldin Group (Investment) held 65,913,432 units of the warrants as at 30th September 2009. 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).
4. Goldin Group (Investment) held the convertible bonds with a nominal value of HK\$1,318,268,682 as at 30th September 2009. Upon full conversion of the convertible bonds at the conversion price of HK\$3.50 per share (as adjusted on 27th August 2009), 376,648,194 shares will be issued to Goldin Group (Investment).

Save as disclosed above, there was no person or corporation, other than a Director or chief executive of the Company, who had an interest in the shares or underlying shares of the Company as recorded in the register of the Company required to be kept by the Company under Section 336 of the SFO as at 30th September 2009.

## OTHER INFORMATION

### Share Options

Pursuant to the share option scheme (the "Scheme") adopted on 27th 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 27th 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 prices 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 30th September 2009:

#### (i) Directors

Name of Director	Date of grant	Subscription price per share HK\$	Exercisable period	Number of share options				
				Outstanding at 1.4.2009	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at 30.9.2009
Professor Huang	3.8.2009	3.30	3.8.2010 to 2.8.2019	—	180,000	—	—	180,000
	3.8.2009	3.30	3.8.2011 to 2.8.2019	—	180,000	—	—	180,000
	3.8.2009	3.30	3.8.2012 to 2.8.2019	—	240,000	—	—	240,000
				—	600,000	—	—	600,000
Mr. Zhou	3.8.2009	3.30	3.8.2010 to 2.8.2019	—	300,000	—	—	300,000
	3.8.2009	3.30	3.8.2011 to 2.8.2019	—	300,000	—	—	300,000
	3.8.2009	3.30	3.8.2012 to 2.8.2019	—	400,000	—	—	400,000
				—	1,000,000	—	—	1,000,000
Mr. Ting Kwang Yuan, Edmond	3.8.2009	3.30	3.8.2010 to 2.8.2019	—	600,000	—	—	600,000
	3.8.2009	3.30	3.8.2011 to 2.8.2019	—	600,000	—	—	600,000
	3.8.2009	3.30	3.8.2012 to 2.8.2019	—	800,000	—	—	800,000
				—	2,000,000	—	—	2,000,000
				—	3,600,000	—	—	3,600,000



## OTHER INFORMATION

### Share Options (Continued)

#### (ii) Employees (other than Directors)

Date of grant	Subscription price per share HK\$	Exercisable period	Number of share options				Outstanding at 30.9.2009
			Outstanding at 1.4.2009	Granted during the period	Exercised during the period	Lapsed during the period	
5.2.2004	1.20	5.2.2005 to 4.2.2014	336,315	—	—	—	336,315
5.2.2004	1.20	5.2.2006 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	—	(200,000)	—	1,421,050
27.11.2007	6.56	27.11.2007 to 26.11.2017	8,000,000	—	—	—	8,000,000
3.8.2009	3.30	3.8.2010 to 2.8.2019	—	3,714,000	—	(135,000)	3,579,000
3.8.2009	3.30	3.8.2011 to 2.8.2019	—	3,714,000	—	(135,000)	3,579,000
3.8.2009	3.30	3.8.2012 to 2.8.2019	—	4,952,000	—	(180,000)	4,772,000
			10,861,463	12,380,000	(200,000)	(450,000)	22,591,463

#### (iii) Other participants

Date of grant	Subscription price per share HK\$	Exercisable period	Number of share options				Outstanding at 30.9.2009
			Outstanding at 1.4.2009	Granted during the period	Exercised during the period	Lapsed during the period	
5.2.2004	1.20	5.2.2005 to 4.2.2014	761,570	—	—	—	761,570
5.2.2004	1.20	5.2.2006 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
3.8.2009	3.30	3.8.2010 to 2.8.2019	—	2,205,000	—	—	2,205,000
3.8.2009	3.30	3.8.2011 to 2.8.2019	—	2,205,000	—	—	2,205,000
3.8.2009	3.30	3.8.2012 to 2.8.2019	—	2,940,000	—	—	2,940,000
			3,025,570	7,350,000	—	—	10,375,570

The vesting period of the share options under the Scheme is from the date of grant until the commencement of the exercisable period.

The closing price of the Company's shares immediately before 3rd August 2009, the date of share options granted was HK\$3.25 per share.

## OTHER INFORMATION



### **Purchase, Sale or Redemption of the Company's Listed Securities**

During the six months ended 30th September 2009, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

### **Code on Corporate Governance Practices**

Throughout the six months ended 30th September 2009, the Company has adopted the code provision of the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Listing Rules, except for the code provision A.2.1 and A.4.1 of CG Code.

Under the CG Code provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual for a balance of power and authority.

The Company understands this division of responsibilities between the chairman and chief executive officer. Traditionally, the chairman provides leadership to the board of directors and formulate, together with the board, the business strategies and long-term objectives of the company whilst the chief executive officer carries out the decisions made by the board of directors and, with the support of the executive directors, is responsible for the day-to-day management and operation of the company's business.

Currently, Mr. Pan Sutong is serving both as the Company's Chairman and Chief Executive Officer. However, the Board considers that this situation will not impair the balance of power and authority between the Board and the management of the Company. This is because the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals with demonstrated integrity. Further, decisions of the Board or collective decisions made by way of majority voting. The Board believes that this structure is conducive to strong, prompt response and efficient management and implementation.

Under the CG Code provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. The Independent Non-Executive Directors of the Company are not appointed for a specific term but are subject to retirement by rotation at least once every three years at the Company's annual general meeting in accordance with the Articles of Association of the Company. The Board believes that such practice will offer stability at the Board level while at the same time, independence is safeguarded by the necessary rotation, retirement and reelection procedures which involves shareholders' approval.

## OTHER INFORMATION

### 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 made by the Company, all Directors confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30th September 2009.

### Disclosure of Directors' Information under Rule 13.51B(1) of the Listing Rules

There is no change in the directors' information, which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

### Audit Committee

The Audit Committee comprises three Independent Non-Executive Directors, namely Mr. Lai Chi Kin, Lawrence (Chairman of the Audit Committee), 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 financial reporting matters including the review of the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30th September 2009.

On behalf of the Board  
**Goldin Properties Holdings Limited**  
**Pan Sutong**  
*Chairman*

Hong Kong, 19th November 2009