



高銀地產

GOLDIN PROPERTIES

Goldin Properties Holdings Limited

高銀地產控股有限公司

Stock Code : 00283

2010

Interim Report



Corporate Information

Directors

Mr. Pan Sutong (*Chairman and Chief Executive Officer*)

Mr. Wang Wuren (*Vice Chairman*)[#]

Professor Huang Xiaojian

Mr. Zhou Xiaojun

Mr. Ting Kwang Yuan, Edmond

Mr. Li Huamao[#]

Mr. Wong Hau Yan, Helvin[#]

Mr. Lai Chi Kin, Lawrence*

Dr. Ng Lai Man, Carmen*

Dr. Cheng Kwan Wai, Sunny*

[#] Appointed on 5 August 2010

* Independent Non-executive Directors

Remuneration Committee

Mr. Pan Sutong (*Chairman of the Remuneration Committee*)

Mr. Lai Chi Kin, Lawrence

Dr. Ng Lai Man, Carmen

Audit Committee

Mr. Lai Chi Kin, Lawrence
(*Chairman of the Audit Committee*)

Dr. Ng Lai Man, Carmen

Dr. Cheng Kwan Wai, Sunny

Company Secretary

Ms. Chan Suk Yin

Registered Office

22nd Floor, Two International
Finance Centre

8 Finance Street, Central

Hong Kong

Principal Bankers

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking
Corporation Limited

Auditor

Deloitte Touche Tohmatsu

Registrar and Transfer Office

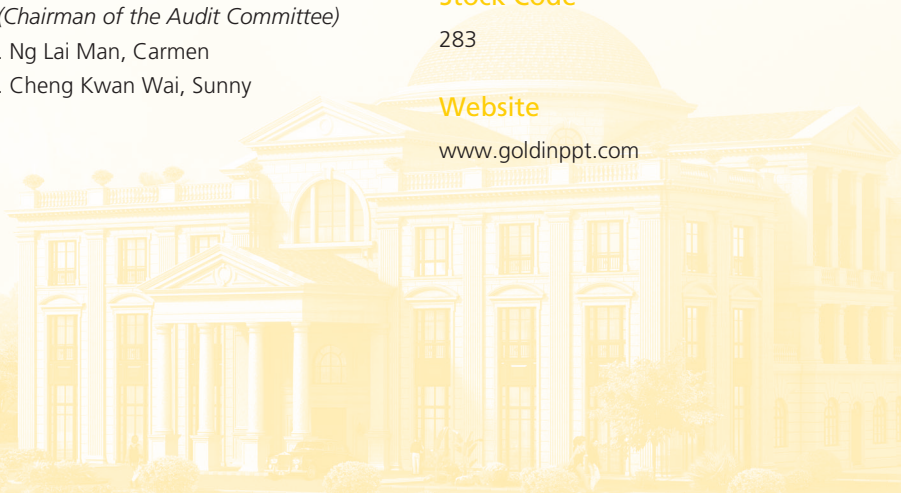
Tricor Secretaries Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Hong Kong

Stock Code

283

Website

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 30 September 2010.

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 September 2010

	Notes	Six months ended 30 September	
		2010 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)
Revenue		—	—
Cost of sales		—	—
Gross profit		—	—
Other income	4	873	3,672
Administrative expenses		(109,555)	(54,669)
Foreign exchange gains (losses), net		45,309	(51,626)
Finance costs		(126,578)	(124,433)
Increase in fair value of investment properties	5	256,638	1,744,983
Losses on conversion option derivative of convertible bonds and other derivative financial instruments	6	(334)	(60,345)
Profit before taxation	7	66,353	1,457,582
Taxation charge	8	(64,160)	(457,434)
Profit for the period attributable to owners of the Company		2,193	1,000,148
Other comprehensive income			
Exchange differences arising on translation		196,036	79,272
Total comprehensive income for the period attributable to owners of the Company		198,229	1,079,420
Dividends	9	—	—
Earnings per share	10		
Basic		0.18 HK cents	81.80 HK cents
Diluted		N/A	71.87 HK cents

Condensed Consolidated Statement of Financial Position

At 30 September 2010

	Notes	30.9.2010 HK\$'000 (unaudited)	31.3.2010 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	11	1,058,455	326,607
Investment properties	12	6,426,810	5,762,928
Prepaid lease payments		169,315	161,333
Intangible assets		90	90
		7,654,670	6,250,958
Current assets			
Properties under development for sale		2,716,806	2,197,345
Prepaid lease payments		4,417	4,137
Trade and other receivables and deposits	13	408,056	259,747
Amount due from a related company		47	178
Pledged bank deposits		12,055	6,726
Bank balances and cash		660,062	585,748
		3,801,443	3,053,881
Assets classified as held for sale	14	335,012	325,277
		4,136,455	3,379,158
Current liabilities			
Trade and other payables	15	1,389,716	1,065,648
Amounts due to related companies		65,878	44,381
Taxation payable		28,902	28,481
Shareholder's loan	16	1,427,155	—
Obligations under finance leases			
— amount due within one year		62	44
		2,911,713	1,138,554
Liabilities directly associated with assets classified as held for sale	14	315,900	306,720
		3,227,613	1,445,274
Net current assets			
		908,842	1,933,884
Total assets less current liabilities			
		8,563,512	8,184,842
Non-current liabilities			
Obligations under finance leases			
— amount due after one year		318	94
Convertible bonds (including conversion option derivative)		1,743,897	1,667,247
Other derivative financial instruments		—	378
Deferred tax liabilities		792,499	719,527
		2,536,714	2,387,246
		6,026,798	5,797,596
Capital and reserves			
Share capital	17	61,173	61,139
Reserves		5,965,625	5,736,457
Total equity			
		6,026,798	5,797,596

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2010

	Attributable to owners of the Company							Total HK\$'000
	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	Retained profits HK\$'000	
At 1 April 2010 (audited)	61,139	2,963,084	46,584	317,253	(185,918)	173	2,595,281	5,797,596
Profit for the period	—	—	—	—	—	—	2,193	2,193
Exchange difference arising on translation	—	—	—	196,036	—	—	—	196,036
Total comprehensive income for the period	—	—	—	196,036	—	—	2,193	198,229
Recognition of equity-settled share-based payments	—	—	28,612	—	—	—	—	28,612
Exercise of share options	14	1,585	(638)	—	—	—	—	961
Lapse of share options	—	—	(795)	—	—	—	795	—
Conversion of convertible bonds	20	1,380	—	—	—	—	—	1,400
At 30 September 2010 (unaudited)	61,173	2,966,049	73,763	513,289	(185,918)	173	2,598,269	6,026,798
At 1 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	—	—	—	—	—	—	1,000,148	1,000,148
Exchange difference arising on translation	—	—	—	79,272	—	—	—	79,272
Total comprehensive income for the period	—	—	—	79,272	—	—	1,000,148	1,079,420
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 30 September 2009 (unaudited)	61,139	2,963,084	32,034	371,792	(185,918)	173	2,665,916	5,908,220

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2010

	Six months ended	
	30 September	
	2010	2009
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Net cash used in operating activities	(519,430)	(9,824)
Net cash used in investing activities	(823,520)	(95,444)
Net cash generated from (used in) financing activities	1,397,057	(26,441)
Net increase (decrease) in cash and cash equivalents	54,107	(131,709)
Cash and cash equivalents at the beginning of the period	585,748	1,331,453
Effect of foreign exchange rate changes	20,207	(417)
Cash and cash equivalents at the end of the period	660,062	1,199,327
Analysis of balances of cash and cash equivalents		
Bank balances and cash	660,062	1,199,327

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2010

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.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2010 except as described below.

In the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning on 1 April 2010.

HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs 2008
HKFRSs (Amendments)	Improvements to HKFRSs 2009
HKAS 27(Revised)	Consolidated and Separate Financial Statements
HKAS 32 (Amendment)	Classification of Rights Issues
HKAS 39 (Amendment)	Eligible Hedged Items
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners

The Group applies HKFRS 3 (Revised) *Business Combinations* prospectively to business combinations for which the acquisition date is on or after 1 April 2010. The requirements in HKAS 27 (Revised) *Consolidated and Separate Financial Statements* in relation to accounting for changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1 April 2010.

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

2. Principal Accounting Policies (continued)

As there was no transaction during the current interim period in which HKFRS 3 (Revised) and HKAS 27 (Revised) are applicable, the application of HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to other HKFRSs had no effect on the condensed consolidated financial statements of the Group for the current or prior accounting periods.

Results of the Group in future periods may be affected by future transactions for which HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to the other HKFRSs are applicable.

The adoption of other new and revised HKFRSs has had no material effect on the condensed consolidated financial statements of the Group for the current or prior accounting periods.

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

HKFRSs (Amendments)	Improvements to HKFRSs 2010 ¹
HKAS 24 (Revised)	Related Party Disclosures ³
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters ²
HKFRS 9	Financial Instruments ⁴
HK(IFRIC)-Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement ³
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments ²

¹ Effective for annual periods beginning on or after 1 July 2010 or 1 January 2011, as appropriate

² Effective for annual periods beginning on or after 1 July 2010

³ Effective for annual periods beginning on or after 1 January 2011

⁴ Effective for annual periods beginning on or after 1 January 2013

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

2. Principal Accounting Policies (continued)

HKFRS 9 *Financial Instruments* introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

The Directors of the Company anticipate that the application of 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's operating segments, based on information reported to the chief operating decision maker, Chairman of the Company, for the purposes of resources allocation and performance assessment are as follows:

1. Property investment
2. Property development
3. Hotel and polo club operation

Information regarding the above segments is reported below.

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

3. Segment Information (continued)

The following is an analysis of the Group's revenues and results by operating segment for the period under review:

	Six months ended 30 September							
	Property development		Property investment		Hotel and polo club operation		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)
REVENUE	—	—	—	—	—	—	—	—
Segment (loss) profit	(4,366)	(2,103)	247,190	1,741,621	(7,328)	—	235,496	1,739,518
Interest income							364	2,995
Unallocated corporate expenses							(42,595)	(100,153)
Finance costs							(126,578)	(124,433)
Losses on conversion option derivative of convertible bonds and other derivative financial instruments							(334)	(60,345)
Profit before taxation							66,353	1,457,582

Segment profit/loss represents the profit earned by/loss derived from each segment without allocation of central administration costs, directors' salaries, interest income, finance costs, losses on conversion option derivative of convertible bonds and other derivative financial instruments and taxation charge. This is the measure reported to the Group's Chief Executive Officer for the purposes of resource allocation and assessment of performance assessment.

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

4. Other Income

	Six months ended 30 September	
	2010	2009
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest received on bank deposits	364	2,995
Others	509	677
	873	3,672

5. Increase in Fair Value of Investment Properties

Decreased by HK\$1,488.3 million when compared with the same period last year was mainly resulted from the adoption of the revised HKAS 40 *Investment Property* by the Group prospectively since 1 April 2009 in accordance with the relevant transitional provision. As a result, the Group's investment properties under construction that include the leasehold land and building elements in prepaid lease payments and property, plant and equipment with previous carrying amounts of HK\$1,205.8 million and HK\$71.9 million as at 1 April 2009, respectively, had been reclassified as investment properties and measured at fair value from the date and as at 30 September 2009.

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

6. Losses on Conversion Option Derivative of Convertible Bonds and Other Derivative Financial Instruments

	Six months ended	
	30 September	
	2010	2009
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Fair value change on convertible option derivative of convertible bonds	(334)	(64,791)
Fair value change on other derivative financial instruments	—	4,446
	(334)	(60,345)

7. Profit Before Taxation

	Six months ended	
	30 September	
	2010	2009
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit before taxation has been arrived at after charging:		
Depreciation of property, plant and equipment	1,637	1,336
Interest on:		
— Finance leases	32	9
— Shareholder's loan and other borrowings wholly repayable within five years	8,296	16,928
Effective interest expense on convertible bonds	118,250	107,496
Share-based payments expenses, net	28,612	4,906

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

8. Taxation Charge

	Six months ended 30 September	
	2010	2009
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
The taxation charge comprises:		
PRC Enterprise Income Tax		
— Current period	—	(21,188)
Deferred taxation	(64,160)	(436,246)
	(64,160)	(457,434)

No Hong Kong Profits Tax was provided as there was no assessable profit for both periods.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

9. Dividend

The Directors do not recommend the payment of an interim dividend for the six months ended 30 September 2010 (2009: Nil).

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

10. Earnings Per Share

	Six months ended 30 September	
	2010 HK\$'000 (unaudited)	2009 HK\$'000 (unaudited)
The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:		
Earnings		
Profit for the purpose of basic earnings per share (profit for the period attributable to owners of the Company)	2,193	1,000,148
Effect of dilutive potential ordinary shares:		
— Fair value change on convertible option derivative of convertible bonds	334	64,791
— Interest on convertible bonds	118,250	107,496
— Exchange gain in relation to liability component of convertible bonds recognised in profit or loss	(37,669)	—
Profit for the purpose of diluted earnings per share	83,108	1,172,435
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,222,865,425	1,222,606,469
Effect of dilutive potential ordinary shares		
— Share options	10,319,787	3,433,666
— Convertible bonds	405,308,908	405,344,072
Weighted average number of ordinary shares for the purpose of diluted earnings per share	1,638,494,120	1,631,384,207

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

10. Earnings Per Share (continued)

The computation of diluted earnings per share did not assume the exercise of the Company's outstanding warrants and certain share options as the exercise price was higher than the average market price per share for both periods. No diluted earnings per share has been presented for the period ended 30 September 2010 due to the anti-dilutive impact on the computation of earnings per share.

11. Property, plant and equipment

	HK\$'000
At 1 April 2009 (audited)	79,152
Exchange realignment	20
Additions	321,718
Reclassified to investment properties	(71,923)
Disposals	(5)
Depreciation	(2,355)
At 31 March 2010 and 1 April 2010 (audited)	326,607
Exchange realignment	9,725
Additions	723,770
Disposals	(10)
Depreciation	(1,637)
At 30 September 2010 (unaudited)	1,058,455

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

12. Investment Properties

	HK\$'000
At 1 April 2009 (audited)	2,419,330
Exchange realignment	19,631
Construction cost incurred	345,924
Reclassified from prepaid lease payments	1,205,780
Reclassified from property, plant and equipment	71,923
Increase in fair value recognised in profit or loss	1,700,340
At 31 March 2010 and 1 April 2010 (audited)	5,762,928
Exchange realignment	172,482
Construction cost incurred	234,762
Increase in fair value recognised in profit or loss	256,638
At 30 September 2010 (unaudited)	6,426,810

The fair value of the Group's investment properties as at 30 September 2010 and 31 March 2010 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, who has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation is arrived at by adopting the direct comparison approach making reference to the recent transactions of similar properties under the prevailing property market conditions.

All of the Group's property interests held under operating leases to earn rentals purpose are measured using the fair value model and are classified and accounted for as investment properties. All of the Group's investment properties are located on leasehold lands in the PRC under medium-term leases.

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

13. Trade and Other Receivables and Deposits

	30.9.2010	31.3.2010
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Trade receivables	1,269	1,269
Less: Allowance for doubtful debts	(1,269)	(1,269)
	—	—
Other receivables and prepayment	180,140	66,971
Deposits	227,916	192,776
Total trade and other receivables and deposits	408,056	259,747

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

14. Assets Classified as Held For Sale/Liabilities Directly Associated With Assets Classified as Held For Sale

Assets classified as held for sale and liabilities directly associated with assets classified as held for sale represented the land cost amounted to RMB286,335,000 (equivalent to HK\$335,012,000 (31 March 2010: HK\$325,277,000)) which would be disposed of (the "Disposal") and the deposit received of RMB270,000,000 (equivalent to HK\$315,900,000 (31 March 2010: HK\$306,720,000)) from the acquirer, respectively as at the period ended 30 September 2010.

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

14. Assets Classified as Held for Sale/Liabilities Directly Associated With Assets Classified as Held for Sale (continued)

Due to the change in property development plan of the acquirer which has delayed the finalization of sale and accordingly, the assets has not been sold by the end of the reporting period. While as at 30 September 2010, the Group is not able to determine the completion date of the Disposal, which is subject to the finalization of the changed properties development plan by the acquirer. The Directors considered that (i) the assets are available for immediate sale in their present condition subject only to terms that are usual and customary for the Disposal; (ii) the consideration has been substantially received and is not refundable; and (iii) actions required from the acquirer to complete the Disposal will be made. Accordingly, the assets to be disposed of and the deposit received as mentioned above remains to be disclosed as assets classified as held for sale and liabilities directly associated with assets classified as held for sale as at 30 September 2010.

15. Trade and Other Payables

An aged analysis of trade payables at the end of the reporting period is set out as follows:

	30.9.2010 HK\$'000 (unaudited)	31.3.2010 HK\$'000 (audited)
0–90 days	692,700	318,433
91–180 days	—	—
Over 180 days	1,654	1,654
	694,354	320,087
Retention payables	91,570	52,282
Dividend payable	1,102	1,102
Other payables	602,690	692,177
	1,389,716	1,065,648

16. Shareholder's Loan

During the current period, the Group obtained a loan facility from its shareholder, Goldin Group (Investment) Limited ("Goldin Group (Investment)") which is wholly and beneficially owned by Mr. Pan Sutong ("Mr. Pan"), for the principal amount of not more than US\$300.0 million (the "Shareholder's Loan"), which is unsecured, carries interest at a rate of 8.5% per annum and is repayable on 30 June 2011.

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

17. Share Capital

Ordinary shares of HK\$0.05 each

	Number of shares	Share capital HK\$'000
Authorised:		
At 1 April 2009, 31 March 2010 and 30 September 2010	10,000,000,000	500,000
Issued and fully paid:		
At 1 April 2009 (audited)	1,222,582,293	61,129
Issue of new shares upon exercise of share options	200,000	10
At 31 March 2010 (audited)	1,222,782,293	61,139
Issue of new shares upon exercise of share options	291,000	14
Issue of new shares upon conversion of convertible bonds	400,000	20
At 30 September 2010 (unaudited)	1,223,473,293	61,173

18. 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.

In the current period, share options were granted on 21 April 2010 and 10 August 2010. The fair values of the options determined at the dates of grant using the Binomial model were approximately HK\$58,606,000 and HK\$15,324,000 respectively.

The closing price of the Company's shares immediately before 21 April 2010 and 10 August 2010, the dates of grant, was HK\$3.15 and HK\$3.71 respectively.

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

18. Share-Based Payment Transactions (continued)

The weighted average closing price of the Company's shares immediately before the dates on which the options were exercised was HK\$4.66.

The following assumptions were used to calculate the fair value of share options:

	21 April 2010	10 August 2010
Grant date share price	HK\$3.15	HK\$3.75
Exercise price	HK\$3.17	HK\$3.75
Expected life	10 years	10 years
Expect volatility	67.10%	66.50%
Risk-free rate	2.87%	2.19%
Expected dividend yield	0%	0%

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the Directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

291,000 (31 March 2010: 200,000) and 810,000 (31 March 2010: 660,000) share options were exercised and lapsed respectively during the period ended 30 September 2010.

19. Pledge of Assets

At 30 September 2010, bank deposits of HK\$12,055,000 (31 March 2010: HK\$6,726,000) were pledged by the Group to a bank in order to secure general banking facilities granted by the bank to the Group.

20. Contingent Liabilities and Commitments

The Group has no significant contingent liabilities at the balance sheet date. As at 30 September 2010, the Group had commitments at approximately HK\$2,710.9 million (31 March 2010: HK\$1,610.8 million).

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 September 2010

21. Related Party Transactions

During the period ended 30 September 2010, the interest expenses on convertible bonds that were paid to Goldin Group (Investment) and Mr. Pan amounted to approximately HK\$49,302,000 (30 September 2009: HK\$49,302,000).

In addition, an interest expense in relation to the Shareholder's Loan was approximately HK\$8,296,000 (2009: Nil) for the six months period ended 30 September 2010.

22. Events after the end of the Interim Period

Subsequent to the reporting date, the Company has in its announcement dated 15 October 2010 announced that the Company proposed to carry out an open offer (the "Open Offer") on the basis of two units of convertible bonds (the "Convertible Bonds") having a face value of HK\$6.0 each for every three existing shares held on 23 December 2010, the record date. The Open Offer involves issue of not less than approximately HK\$4,894.2 million and up to a maximum of approximately HK\$5,077.0 million in value of Convertible Bonds. The net cash proceeds of the Open Offer raised, net of expenses and after the set off against the entire principal amount of the Shareholder's Loan of not more than US\$300.0 million (equivalent to approximately HK\$2,325.0 million), is expected to be not less than approximately HK\$2,502.2 million and not more than approximately HK\$2,680.5 million, which will be used to finance the property development and investment and/or all other property related business of the Group.

The Open Offer is fully underwritten by the underwriter and the terms of the Open Offer are determined after arm's length negotiations between the Company and the underwriter. Pursuant to the underwriting agreement, the underwriter has conditionally agreed to subscribe or procure subscribers to subscribe for all of the Convertible Bonds not taken up by the qualifying shareholders and shall procure to be paid to the Company the amount due in respect thereof.

The expected completion date in relation to the open offer arrangement would be on 21 January 2011.

Management Discussion and Analysis

RESULTS

During the six months ended 30 September 2010, the Group recorded a net profit of HK\$2.2 million (2009: HK\$1,000.1 million), representing a decrease over the same period last year. The decrease was mainly due to the diminishing in increase in fair value of investment properties at approximately HK\$1,488.3 million when compared with the same period last year. The Group had no turnover derived for the period (2009: Nil) as the property development project had yet to be launched for sale.

BUSINESS REVIEW

PRC Property Development Business

Tianjin is one of the fastest growing cities in China. Located in the robust Bohai Bay Economic Zone, Tianjin is expected to be one of the premier financial hubs of Northern China. Taking the PRC property market into consideration and recognising Tianjin's flourishing development, the Group has seized this business opportunity to develop its flagship project, Tianjin Goldin Metropolitan ("Goldin Metropolitan" or the "Project").

Goldin Metropolitan

Goldin Metropolitan is an integrated high-end mega project with an aggregate planned gross floor area of around 1.89 million square metres. This comprehensive residential and commercial project aims to form an affluent metropolitan community and set new benchmarks of quality living in Tianjin. The Project comprises an international central business district and a five-star residential environment, including luxury shopping centres and leisure facilities. This Project kicked off at full speed after the launch of Tianjin's first ever polo club on 4 November 2010.

Goldin Metropolitan is strategically located in the southwest of Tianjin, where it is easily accessible from the city's centres of Tianjin and Beijing. The travelling time from the Project site to either downtown Tianjin or the Tianjin Binhai International Airport is about 25 minutes. The opening of the Beijing-Tianjin-Tanggu Expressway and the Beijing-Tianjin Inter-City Rail is expected to shorten the travelling distances between Beijing and Tianjin as well. The eventual opening of the Beijing-Shanghai Expressway will cement the connection between Tianjin and other major economic hubs in China and the world at large.



Management Discussion and Analysis (continued)

The Project is comprised of three main parts, which include a central business district, a residential zone, and a polo club.

i) Central Business District

The ultra-modern design of Goldin Metropolitan's central business district ("CBD") includes four functional districts: (i) Hotel and Convention District, (ii) Commercial District, (iii) Serviced Apartment District, and (iv) Entertainment District.

The Goldin Finance 117 skyscraper is the undisputed centrepiece of Goldin Metropolitan. With a dazzling diamond-shaped roof, Goldin Finance 117 has a unique architectural style and offers international Grade-A standard office space. The top floors are reserved for a 6-star hotel with unprecedented cityscape views across Tianjin. With a recommended height of approximately 600 metres, this 117-floor building will certainly become a landmark of Tianjin city.

The CBD makes ideal headquarters for international enterprises with its banking and finance building, twin towers, international convention centre, headquarters buildings, stylish hotel, serviced apartment, Broadway theatre, and contemporary shopping facility.

ii) Residential Zone

With an exclusive "Elite Community Counts" philosophy, the Group aims to build an international community, providing first-class living standards for senior executives and sophisticated businesspersons stationed in Tianjin and nearby cities such as Beijing.

The Goldin Metropolitan residential zone has a total site area of approximately 494,600 square metres, which consists of a wide range of upscale apartments, low-density mansions, and superior townhouses with elegant and customer-oriented designs. The first phase of the residential zone is expected to launch in the first half of 2011.

Management Discussion and Analysis (continued)

iii) Tianjin Goldin Metropolitan Polo Club

The time-honored sport of polo originated in China and has enchanted Western Europe for over a century. As a pioneer of the international lifestyle, Goldin has reintroduced this polo heritage to its country of origin by building the largest polo club in China, the Tianjin Goldin Metropolitan Polo Club (the “Polo Club”). The total site area of the Polo Club is approximately 898,800 square metres and a grand opening ceremony was held on 4 November 2010.

Built in a European Neoclassical architectural style, the Polo Club consists of two international-standard polo fields, a prestigious polo clubhouse, thoroughbred polo ponies imported from Australia and impeccably maintained stables. The Polo Club also house a wine museum containing fine vintage wines, stylish restaurants and dining outlets serving an extensive range of international cuisines. The Polo Club combines a new luxury resort destination with the most state-of-the-art polo facilities in China. It is equipped for hosting national and international polo tournaments and performances, as well as other international mega-events.

Professional Management Team

The Group is continually updating and improving its resources to attract new talent and build a strong professional management team. Our team is an elite mix of experienced individuals in the property industry who are renowned with their specialist fields, which include project planning, construction, engineering, hotel and property management, marketing and sales as well as our signature Polo Club. Our distinguished team is committed to delivering excellent service and building the most successful brand name in the industry.



Management Discussion and Analysis (continued)

LIQUIDITY AND FINANCIAL RESOURCES

Working Capital and Bank Balances and Cash

The Group's working capital as at 30 September 2010 amounted to approximately HK\$908.8 million (2009: HK\$1,933.9 million), representing a decrease of approximately 53% when compared with the same period last year. It was mainly resulted from the short-term shareholder's loan owing by the Company to Goldin Group (Investment), which is wholly and beneficially owned by Mr. Pan, the controlling shareholder and the Chairman and Chief Executive Officer of the Company, of not more than US\$300.0 million (equivalent to approximately HK\$2,325.0 million) at an interest rate of 8.5% per annum, amounted to HK\$1,427.2 million with interest payable of HK\$8.3 million as at 30 September 2010. It is unsecured and repayable on 30 June 2011.

The current ratio of the Group changed from 2.34 times as at 31 March 2010 to 1.28 times as at 30 September 2010.

Proposed Open Offer of Convertible Bonds

Subsequent to the six months period ended 30 September 2010, on 15 October 2010, the Company proposed to carry out an Open Offer on the basis of two units of Convertible Bonds having a face value of HK\$6.0 each for every three shares of the Company. Upon the fulfillment of the conditions precedent of the Open Offer, the Company will issue of not less than approximately HK\$4,894.2 million and up to a maximum of approximately HK\$5,077.0 million in value of Convertible Bonds. The net cash proceeds of the Open Offer raised, net of expenses and after the set off against the Shareholder's Loan, is expected to be not less than approximately HK\$2,502.2 million and not more than approximately HK\$2,680.5 million, which will be used to finance the property development and investment and/or all other property related business of the Group.

Management Discussion and Analysis (continued)

FOREIGN EXCHANGE RISK

The Group's transactions are primarily denominated in Renminbi and in anticipation of Renminbi appreciation, it is expected to have a positive impact to the Group as assets of the Group are mostly denominated in Renminbi.

The Group continues to exercise rigorous control policies and is not involved in trading of any debt securities or financial derivative products for speculative purposes.

CONTINGENT LIABILITIES AND COMMITMENTS

The Group had no contingent liabilities (31 March 2010: Nil), and had commitments at approximately HK\$2,710.9 million (31 March 2010: HK\$1,610.8 million).

PROSPECTS

Outlook

With various measures being carried out by the central government to control the rise in property prices, the property market may be affected in the short-term. According to the National Bureau of Statistics of China, the national real estate climate index in August 2010 was 104.11; 0.6 points lower than the previous month. However, it showed an increase of 4.03 points compared to the same period last year. We remain ever optimistic about the prospect within the property market in China and believe that it will experience a steady and healthy growth period in the near future.

Our main focus is Tianjin, "one of the major economic centres in northern China" (Urban Planning of Tianjin 2005–2020), which has shown solid economic growth over the last several years. According to China's Ministry of Commerce, the utilised Foreign Direct Investment of Tianjin amounted to USD 5.91 billion in the first half of 2010, an increase of 20.3% compared to the same period last year. These figures conclusively demonstrate that Tianjin is a popular city for foreign investment in which economic growth is supported by the inflow of foreign capital.

As foreign investment continues to increase, there is a rising demand for Grade-A offices and high-quality residential buildings from multinational companies. Our Group is ready to make the most of these valuable business opportunities.



Management Discussion and Analysis (continued)

The Project kicked off spectacularly with the launching of the Polo Club on 4 November 2010. The first phase of the residential zone which mainly consists of low-density mansions, will roll out in the first half of 2011, marking yet another success for the Project. In keeping with the expansion of our land bank, we will be proactively exploring new opportunities to acquire land in prime geographical locations. Using Goldin Metropolitan as its blueprint, Goldin Properties will gradually develop high-quality integrated mega property projects in other high-growth cities throughout China, thereby realising the Group's vision of transforming China into a metropolitan country.

As an experienced and high-quality property developer engaged in the development of premier properties in China, we are ready to turn every challenge into an opportunity. We are optimistic about the prospects of the Group in 2010 and beyond. With the completion of Goldin Metropolitan, we are confident that our "Goldin" brand name will be firmly established in China's property industry.

EMPLOYMENT AND REMUNERATION POLICY

As at 30 September 2010, the Group employed approximately 1,375 employees (2009: approximately 111 employees). The staff costs for the period (including directors' emoluments) amounted to approximately HK\$76.5 million (2009: HK\$28.2 million). The Group ensures that the remuneration of its employees are competitive and employees are rewarded on a performance related basis, together with reference to the remuneration benchmarks in the industry and prevailing market conditions within the general framework of the Group's remuneration system.

Other Information

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

As at 30 September 2010, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors adopted by the Company (the "Model Code"), to be notified to the Company and the Stock Exchange, 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 1)
Mr. Pan	Long position	Interests held as beneficial owner and through controlled corporations	794,781,341 (Note 2)	64.96%
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 (continued)

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

(b) 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 (Note 1)
Mr. Pan	Long position	Interests held as beneficial owner and through controlled corporation	378,744,766 (Note 3)	30.96%

Notes:

- As at 30 September 2010, the number of issued shares capital of the Company was 1,223,473,293 shares.
- As at 30 September 2010, 92,637,000 shares were held by Mr. Pan in his personal capacity, 659,134,341 shares were held by Goldin Group (Investment), the immediate holding company of the Company and 43,010,000 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. Accordingly, Mr. Pan was deemed to be interested in the 659,134,341 shares held by Goldin Group (Investment) and 43,010,000 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.
- As at 30 September 2010, Mr. Pan and Goldin Group (Investment) held the convertible bonds with nominal value of HK\$7,338,003 and HK\$1,318,268,679 respectively. Upon full conversion of the convertible bonds at the conversion price of HK\$3.50 per share (as adjusted on 27 August 2009), 2,096,572 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. Accordingly, Mr. Pan was deemed to be interested in the convertible bonds held by Goldin Group (Investment).

Other Information (continued)

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

Save as disclosed above, none of the Directors or chief executives of the Company had, as at 30 September 2010, any interests or 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 would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DISCLOSEABLE INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS UNDER SFO

As at 30 September 2010, shareholders (other than Directors or chief executives of the Company) who had interests or short positions in the shares or 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 which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

(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 (Note 1)
Goldin Group (Investment) (Note 2)	Long position	Beneficial owner	659,134,341	53.87%
Atlantis Investment Management Limited	Long position	Investment manager	114,000,000	9.32%

Other Information (continued)

DISCLOSEABLE INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS UNDER SFO (continued)

(b) Interests in underlying shares

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 (Note 1)
Goldin Group (Investment) (Note 2)	Long position	Beneficial owner	376,648,194 (Note 3)	30.79%

Notes:

1. As at 30 September 2010, the number of issued shares capital of the Company was 1,223,473,293 shares.
2. As at 30 September 2010, Goldin Group (Investment) was 100% owned by Goldin Real Estate Financial, which in turn was 100% owned by Mr. Pan.
3. As at 30 September 2010, Goldin Group (Investment) held the convertible bonds with a nominal value of HK\$1,318,268,679. Upon full conversion of the convertible bonds at the conversion price of HK\$3.50 per share (as adjusted on 27 August 2009), 376,648,194 shares will be issued to Goldin Group (Investment).

Save as disclosed above, as at 30 September 2010, the Company has not been notified by any persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares or 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 which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Other Information (continued)

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 price 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 within ten years from the date of grant of the relevant option.

Other Information (continued)

SHARE OPTIONS (continued)

The following tables disclose details of the Company's share option movements during the six months ended 30 September 2010:

(i) Directors

Name of Director	Date of grant	Subscription price per share HK\$	Exercisable period	Number of share options					
				Outstanding at 1.4.2010	Appointed as a director during the period (Note 1)	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at 30.9.2010
Mr. Wang Wuren (Note 2)	10.8.2010	3.75	10.8.2011 to 9.8.2020	—	—	600,000	—	—	600,000
	10.8.2010	3.75	10.8.2012 to 9.8.2020	—	—	600,000	—	—	600,000
	10.8.2010	3.75	10.8.2013 to 9.8.2020	—	—	800,000	—	—	800,000
				—	—	2,000,000	—	—	2,000,000
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
Mr. Li Huamao ("Mr. Li")	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. Wong Hau Yan, Helvin ("Mr. Wong")	3.8.2009	3.30	3.8.2010 to 2.8.2019	—	360,000	—	—	—	360,000
	3.8.2009	3.30	3.8.2011 to 2.8.2019	—	360,000	—	—	—	360,000
	3.8.2009	3.30	3.8.2012 to 2.8.2019	—	480,000	—	—	—	480,000
				—	1,200,000	—	—	—	1,200,000
				3,600,000	2,200,000	2,000,000	—	—	7,800,000

Other Information (continued)

SHARE OPTIONS (continued)

(ii) Employees (other than Directors)

Date of grant	Subscription price per share HK\$	Exercisable period	Number of share options					Outstanding at 30.9.2010
			Outstanding at 1.4.2010	Appointed as a director during the period (Note 1)	Granted during the period	Exercised during the period	Lapsed during the period	
5.2.2004	1.20	5.2.2005 to 4.2.2014	672,630	—	—	—	—	672,630
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	1,421,050	—	—	—	—	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	3,516,000	(660,000)	—	(231,000)	(180,000)	2,445,000
3.8.2009	3.30	3.8.2011 to 2.8.2019	3,516,000	(660,000)	—	—	(270,000)	2,586,000
3.8.2009	3.30	3.8.2012 to 2.8.2019	4,688,000	(880,000)	—	—	(360,000)	3,448,000
21.4.2010 (Note 3)	3.17	21.4.2011 to 20.4.2020	—	—	4,500,000	—	—	4,500,000
21.4.2010 (Note 3)	3.17	21.4.2012 to 20.4.2020	—	—	4,500,000	—	—	4,500,000
21.4.2010 (Note 3)	3.17	21.4.2013 to 20.4.2020	—	—	6,000,000	—	—	6,000,000
10.8.2010 (Note 2)	3.75	10.8.2011 to 9.8.2020	—	—	1,200,000	—	—	1,200,000
10.8.2010 (Note 2)	3.75	10.8.2012 to 9.8.2020	—	—	1,200,000	—	—	1,200,000
10.8.2010 (Note 2)	3.75	10.8.2013 to 9.8.2020	—	—	1,600,000	—	—	1,600,000
			22,381,463	(2,200,000)	19,000,000	(231,000)	(810,000)	38,140,463

Notes:

- Each of Mr. Li and Mr. Wong was appointed as an Executive Director of the Company on 5 August 2010. Share options held by Mr. Li and Mr. Wong were re-classified from the category of "Employees (other than Directors)" to "Directors" on the same date.
- Share options granted on 10 August 2010 were conditionally granted to a director and employees of the Company, subject to the achievement of the performance targets as determined by the Board.
- Share options granted on 21 April 2010 were conditionally granted to the employees of the Company, subject to the achievement of the performance targets as determined by the Board.

Other Information (continued)

SHARE OPTIONS (continued)

(iii) Other participants

Date of grant	Subscription price per share HK\$	Exercisable period	Number of share options				Outstanding at 30.9.2010
			Outstanding at 1.4.2010	Granted during the period	Exercised during the period	Lapsed during the period	
5.2.2004	1.20	5.2.2005 to 4.2.2014	2,657,875	—	—	—	2,657,875
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	—	(60,000)	—	2,145,000
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
21.4.2010	3.17	21.4.2011 to 20.4.2020	—	3,600,000	—	—	3,600,000
21.4.2010	3.17	21.4.2012 to 20.4.2020	—	3,600,000	—	—	3,600,000
21.4.2010	3.17	21.4.2013 to 20.4.2020	—	4,800,000	—	—	4,800,000
			10,375,570	12,000,000	(60,000)	—	22,315,570

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 21 April 2010 and 10 August 2010, the dates on which the share options were granted, was HK\$3.15 and HK\$3.71 per share respectively.

The weighted average closing price of the Company's shares immediately before the dates on which the share options were exercised, was HK\$4.66 per share.

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

During the six months ended 30 September 2010, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

Other Information (continued)

CODE ON CORPORATE GOVERNANCE PRACTICES

Throughout the six months ended 30 September 2010, the Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of the Code on Corporate Governance Practices (the “Code on CG Practices”) as set out in Appendix 14 of the Listing Rules, except for the following deviations:

Under the code provision A.2.1 of Code on CG Practices, 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 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 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 code provision A.4.1 of Code on CG Practices, 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 re-election procedures which involves shareholders’ approval.



Other Information (continued)

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.

Having made specific enquiry of all Directors, the Directors confirmed that they have complied with the Model Code for any part of the six months ended 30 September 2010.

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 30 September 2010.

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

Hong Kong, 17 November 2010