



高銀地產

GOLDIN PROPERTIES

Goldin Properties Holdings Limited

高銀地產控股有限公司

Stock Code: 00283

2011

Interim Report



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Corporate Information

Board of Directors

Executive Directors

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

Professor Huang Xiaojian

Mr. Zhou Xiaojun

Mr. Ting Kwang Yuan, Edmond

Mr. Li Huamao

Mr. Wong Hau Yan, Helvin

Mr. Lee Chi Chung, Harvey

Independent Non-executive Directors

Mr. Lai Chi Kin

Dr. Ng Lai Man, Carmen

Dr. Cheng Kwan Wai

Audit Committee

Mr. Lai Chi Kin (*Chairman*)

Dr. Ng Lai Man, Carmen

Dr. Cheng Kwan Wai

Remuneration Committee

Mr. Pan Sutong (*Chairman*)

Mr. Lai Chi Kin

Dr. Ng Lai Man, Carmen

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

Chairman's Statement

Dear Shareholders,

On behalf of the board of directors (the "**Board**") of Goldin Properties Holdings Limited (the "**Company**"), it gives me pleasure to present you with the interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 September 2011 (the "**Review Period**").

Business Review

Property Development Business in China

During the Review Period, the Group has continuously developed its property business in China, and Tianjin Goldin Metropolitan ("**Goldin Metropolitan**" or the "**Project**"), the Group's flagship project in Tianjin, China, has achieved remarkable progress.

Tianjin, where Goldin Metropolitan is located, achieved a gross domestic product ("**GDP**") growth of 16.6% from January to June 2011, significantly higher than the national average. According to a latest ranking released by "Forbes China", Tianjin was named one of the top 10 best business cities in China for two consecutive years, ranked 6th in terms of city scale index and ranked 4th in terms of operating cost index, reflecting its remarkable economic potential. "Forbes China" indicated that "the scale of the Tianjin Development Zone has exceeded that of Pudong, Shanghai, which is attributable to the impact of large projects and city development, reinforcing the ability of Tianjin to attract investment, and positioning it as a leader in the Bohai Economic Rim".

Tianjin is internationally renowned for its pleasant living environment. According to "The World's Most Livable Cities" report released in August 2011 by the Economist Intelligence Unit, Tianjin stood out as being ranked among the top 3 in mainland China.

The Group has been dedicatedly developing high-end large-scale integrated property projects in major cities of China, and the flagship project in Tianjin grasps the opportunity to take advantage of the regional economic development of the Bohai Economic Rim, providing long-term upside potential to the Project.

Goldin Metropolitan

Goldin Metropolitan is a high-end integrated development project of the Group, with a planned gross floor area of approximately 1,890,000 square meters. The major components of the Project cover an international central business district, a luxury residential zone ("**Fortune Heights**") and the Tianjin Goldin Metropolitan Polo Club ("**Metropolitan Polo Club**"). Goldin Metropolitan is located in the core region of Tianjin and is progressing smoothly as scheduled. The Group expects Goldin Metropolitan will become one of the city's landmark property complexes upon completion, reinforcing the position of Tianjin as a globally-recognized and scenic metropolis in Northern China.

Chairman's Statement

Central Business District

The central business district of Goldin Metropolitan includes Goldin Finance 117, a building housing financial and corporate headquarters, the twin towers office buildings, a shopping complex, cultural and recreational facilities, an international convention and exhibition centre, a distinctive boutique hotel and serviced apartments. The central business district is located in the fast growing and metropolis of Tianjin, in proximity to the forthcoming Metro Line 3 and the Jinji Expressway, forming an accessible and comprehensive transportation network connecting transportation within and outside the Tianjin metropolitan area.

Designed by an internationally acclaimed architectural firm, Goldin Finance 117 is the centerpiece of Goldin Metropolitan. With a striking and unique architectural style, the 600-metre tall and 117-storey building is set to become one of China's landmark skyscrapers. Construction of Goldin Finance 117 is well underway, which will be equipped with Grade-A international-standard offices and a super five-star hotel, with the offices targeting at attracting multinational corporate tenants, which are set to be the place where international enterprises and elites converge. The super five-star hotel, located on the top floors of Goldin Finance 117, offers breathtaking views overlooking the bustling downtown of Tianjin.

Fortune Heights

Fortune Heights residential project, the focal point of the low-density luxury residential market in Tianjin, is designed to provide luxury residences, with various dwelling-size options, designs and views, to elites in Tianjin and adjacent areas such as Beijing, senior executives based in Tianjin, and overseas buyers who are pursuing higher quality of life.

Phase I of Fortune Heights covers a planned gross floor area of approximately 208,800 square meters and construction is well underway. The high-rise luxury residential buildings, low-density luxury mansions and townhouses have stepped into the project completion phase, with an initial number of 700 units to be launched for sale when appropriate. Construction of Phase II is currently underway and progressing well.

Metropolitan Polo Club

One of the goals of Goldin Metropolitan is to "bring traditional classic activities to the rapidly growing city of Tianjin", which is reflected in the establishment of Metropolitan Polo Club. Metropolitan Polo Club, having an area of approximately 890,000 square meters, made its debut in November 2010. Metropolitan Polo Club consists of an international polo clubhouse, a super five-star hotel, specialty restaurants, two international standard polo fields, stables and other auxiliary facilities. Moreover, with such extensive facilities located in superb parkland, the Metropolitan Polo Club has become one of the largest polo clubs in Asia.

Chairman's Statement

Inspired by European neo-classicism, the Metropolitan Polo Club's clubhouse includes a comprehensive spa, an indoor swimming pool and gymnasium; comfortable lounges, a cigar bar, and a boutique selling equestrian and polo equipment. Tianjin Goldin Metropolitan Hotel ("**Goldin Metropolitan Hotel**"), the super five-star hotel of Metropolitan Polo Club, has commenced soft opening. Goldin Metropolitan Hotel consists of 167 elegantly furnished rooms and suites, world-class restaurants and spa facilities that complement the broad range of diversions offered by Metropolitan Polo Club.

In addition, Metropolitan Polo Club has a professional team designated to cater to the health and safety of its horses. It also imports horses with excellent pedigrees for members' practice and use in competitions. Various international polo tournaments and occasions are held by Metropolitan Polo Club every year, bringing China's polo activities onto the international stage.

To announce the debut of Goldin Metropolitan Hotel, a series of marketing campaigns were launched by the Group, including various media promotions in Hong Kong, various cities in China and overseas regions. This will further boost brand awareness of Metropolitan Polo Club and Goldin Metropolitan Hotel across China and also abroad.

The Group hosted an "Goldin International Snow Polo Challenge" and the "Goldin Gold Cup" polo tournaments in February and July this year, respectively, so as to promote the polo sport in China and establish it as an important activity which embodies the lifestyle of privileged societies. Meanwhile, in a bid to further enhance the profile and recognition of Metropolitan Polo Club in the worldwide polo industry, the Group has officially collaborated with the Federation of International Polo ("**FIP**") to organize the "FIP Snow Polo World Cup Invitational" in February 2012 at the Metropolitan Polo Club, which will be the first large-scale snow polo tournament with national teams' participation to be hosted anywhere in the world. The partnership with FIP will further enhance the image and international profile of Metropolitan Polo Club and enhance the international status of Metropolitan Polo Club.

Professional Management Team

The Group is always dedicated to attracting new talent to strengthen its professional management team. The Group actively recruits international professionals in the property industry with extensive experience in project planning, construction, engineering, property management, marketing strategy and sales as well as polo club and hotel operation and management. The distinguished team plays a major role for the Group in delivering excellent service and building an outstanding industry brand name in Tianjin. The completion of Goldin Metropolitan will enhance the Group's high-quality service and help strengthen the Group's competitiveness in the high-end property industry in China.



Chairman's Statement

Prospects

Outlook

During the Review Period, China's economy grew continually despite the volatile global market. However, the economic environment and the real estate industry still face challenges. Under the impact from the Chinese central government's macroeconomic control by adopting contractionary monetary policy, China's economic growth became stable but moderate, with the increase in GDP during the first three quarters slowing but still within a range of 9.4% to 9.7%. In addition, the Chinese central government's macroeconomic control has also included policies aimed at restricting property purchases and tightening mortgage lending in order to regulate and control property price, and thus cool the overheat economy.

The Group is of the view that China's current property market will cool as a result of the macroeconomic policy of Chinese central government, which will help sustain the foundation for future development and ensure the market to develop stably and healthily. In the medium and long term, given the progress of urbanization in China, demand for commercial and residential properties in China is expected to be strong enough to create business opportunities with sustain growth of the China property market. Hence, the Group remains prudently optimistic about the prospects of China's real estate market.

While concentrating on the current project development, the Group will continue to seek and develop new projects in promising regions and to look for business opportunities for land bank expansion. The Group will continue to develop large-scale integrated property projects and actively promote "Goldin" as a leading brand in China's property industry.

As a high quality of China's high-end property developer and an architect of visionary metropolises, the Group is confident about its future. The Group will keep abreast of industry trends to ensure its development strategies are responsive to the market changes. With the completion and the launch of Goldin Metropolitan phase by phase, the Group believes that the Project will bring considerable shareholder returns.

Acknowledgement

I would like to take this opportunity to express my sincere gratitude to all shareholders, investors and business partners for your confidence and support and to all members of the Board, the management team and all the staff for their unremitting efforts and contributions. We are committed to striving for a brighter future for the Group and maximizing shareholder returns.

Pan Sutong
Chairman

24 November 2011, Hong Kong

Management Discussion and Analysis

Results

For the six months ended 30 September 2011, the Group recorded a net profit of approximately HK\$717,027,000 (2010: approximately HK\$2,200,000), representing an increase of 325 times over the same period last year. The change in net profit was mainly due to the increase in fair value of the convertible bonds of approximately HK\$908,400,000 for the six months ended 30 September 2011. The Group is actively planning and deploying the launch of its development project at the best and most appropriate time and therefore, no turnover was recorded by the Group during the Review Period (2010: Nil).

Liquidity and Financial Resources

Working capital and convertible bonds

The Group's working capital as at 30 September 2011 amounted to approximately HK\$1,983,700,000 (31 March 2011: approximately HK\$4,127,900,000), representing a decrease of approximately 52% when compared with that of 31 March 2011. This was mainly resulted from the convertible bonds due 2012 of the Company of approximately HK\$1,465,000,000 which will mature in August 2012 and which in turn due within twelve months of this interim report, the relevant outstanding convertible bonds has been reclassified as current liabilities from non-current liabilities as at 30 September 2011. As such, the current ratio of the Group changed from 3.82 times as at 31 March 2011 to 1.59 times as at 30 September 2011.

As at 30 September 2011, the aggregate amount of the outstanding convertible bonds of the Company amounted to HK\$5,852,500,000 (31 March 2011: HK\$6,479,100,000) representing 37.0% (31 March 2011: 42.9%) to the total assets of the Group.

As at 30 September 2011, Mr. Pan Sutong, the chairman, chief executive officer, executive director and controlling shareholder of the Company, was interested/deemed to be interested in the convertible bonds of the Company of HK\$5,671,100,000 (31 March 2011: HK\$6,278,200,000) ("**Mr. Pan's portion**"), representing approximately 96.9% (31 March 2011: 96.9%) of the aggregate outstanding convertible bonds of the Company. Mr. Pan's portion can be converted into shares of the Company if appropriate. Excluding Mr. Pan's portion, the aggregate outstanding convertible bonds of the Company would be HK\$181,400,000 (31 March 2011: HK\$200,900,000), representing approximately 1.15% and 2.53% (31 March 2011: 1.33% and 3.19%) of the total assets and total equity respectively of the Group as at 30 September 2011.



Management Discussion and Analysis

Foreign Exchange Risk

Since the Group's transactions and assets are primarily Renminbi-denominated, the expected appreciation of Renminbi will positively benefit the Group.

The Group continues to exercise strict control policy and has not engaged in any speculative trading in debt securities or financial derivatives.

Contingent Liabilities and Commitments

The Group had contingent liabilities and commitments of approximately HK\$2,000,000 and HK\$2,144,500,000 respectively (31 March 2011: HK\$2,000,000 and HK\$1,503,000,000) as at 30 September 2011.

Employment and Remuneration Policy

As at 30 September 2011, the Group had approximately 944 employees (2010: approximately 1,375 employees). The staff costs for the period (including directors' emoluments) amounted to approximately HK\$93,600,000 (2010: HK\$76,500,000). The Group ensures that the remuneration of its employees are competitive and employees are rewarded on a performance 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.

Corporate Governance

The Company is committed to the establishment and maintenance of good corporate governance practices and procedures to safeguard the interests of all shareholders and to enhance accountability and transparency.

Code on Corporate Governance Practices

Throughout the Review Period, 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 as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), except for the following deviations:

(a) Code Provision A.2.1

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

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 are made by way of majority voting. The Board believes that this structure is conducive to strong, prompt response and efficient management and implementation.

(b) Code Provision A.4.1

Under this code provision, non-executive directors should be appointed for a specific term, subject to re-election.

Currently, the independent non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election 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.



Corporate Governance

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors’ securities transactions.

Having made specific enquiry of all directors (the “**Directors**”) by the Company, the Directors confirmed that they have complied with the required standard set out in the Model Code during the Review Period.

Audit Committee

The audit committee of the Company (the “**Audit Committee**”) comprises three independent non-executive Directors, namely Mr. Lai Chi Kin (Chairman of the Audit Committee), Dr. Ng Lai Man, Carmen and Dr. Cheng Kwan Wai.

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2011.

Change in the Information of a Director since Last Annual Report

Pursuant to Rule 13.51B of the Listing Rules, Mr. Wang Wuren had resigned as executive Director and vice chairman of the Company with effect from 27 July 2011 but retained as a consultant to the Group.

Disclosure of Interests

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 September 2011, 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 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, 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 % of the issued share capital (Note 1)
Mr. Pan Sutong	Long position	Interests held as beneficial owner and through controlled corporations	845,889,341 (Note 2)	68.49%
Professor Huang Xiaojian	Long position	Beneficial owner	424,210	0.03%
Mr. Zhou Xiaojun	Long position	Beneficial owner	280,000	0.02%
Mr. Ting Kwang Yuan, Edmond	Long position	Beneficial owner	600,000	0.05%
Mr. Wong Hau Yan, Helvin	Long position	Beneficial owner	145,820	0.01%

Disclosure of Interests

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures (continued)

(b) Interests in underlying shares

(i) As at 30 September 2011, there were share options held by the Directors. Details of such share options are set out in the section headed "Other Information-Share Options" of this interim report.

(ii) Interests in convertible bonds due on 28 August 2012

Name of Director/ chief executive	Long position/ short position	Capacity	Number of underlying shares held	Approximate % of the issued share capital (Note 1)
Mr. Pan Sutong	Long position	Interests held as beneficial owner and through controlled corporation	378,744,766 (Note 3)	30.67%

(iii) Interests in convertible bonds due on 21 January 2014

Name of Director/ chief executive	Long position/ short position	Capacity	Number of underlying shares held	Approximate % of the issued share capital (Note 1)
Mr. Pan Sutong	Long position	Interests held through controlled corporations	994,708,892 (Note 4)	80.54%
Mr. Ting Kwang Yuan, Edmond	Long position	Beneficial owner	343,750 (Note 5)	0.03%
Mr. Wong Hau Yan, Helvin	Long position	Beneficial owner	87,500 (Note 6)	0.01%

Disclosure of Interests

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures (continued)

Notes:

1. As at 30 September 2011, the total number of ordinary shares of the Company in issue was 1,235,094,858 shares.
2. As at 30 September 2011, 107,425,000 shares were held by Mr. Pan Sutong ("**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 79,330,000 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 659,134,341 shares held by Goldin Group (Investment) and 79,330,000 shares held by Clear Jade. Goldin Group (Investment), being the immediate holding company of the Company, is also an associated corporation of the Company within the meaning of Part XV of the SFO.
3. As at 30 September 2011, 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) by the Company 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).
4. As at 30 September 2011, Goldin Group (Investment) and Matsunichi Goldbase Global (Management) Limited ("**Matsunichi Goldbase Global**") held the convertible bonds with nominal value of HK\$4,684,602,684 and HK\$90,000,000 respectively. Upon full conversion of the convertible bonds at the conversion price of HK\$4.80 per share (as adjusted on 20 July 2011), 975,958,892 shares and 18,750,000 shares will be issued to Goldin Group (Investment) and Matsunichi Goldbase Global by the Company respectively. Goldin Group (Investment) was 100% owned by Goldin Real Estate Financial, which in turn was 100% owned by Mr. Pan. Goldin Financial Holdings Limited (stock code: 530.HK) was the immediate holding company of Matsunichi Goldbase Global, and Mr. Pan was also a non-executive director, the chairman and the controlling shareholder of Goldin Financial Holdings Limited. Accordingly, Mr. Pan was deemed to be interested in the convertible bonds held by Goldin Group (Investment) and Matsunichi Goldbase Global.

Disclosure of Interests

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures (continued)

Notes:

5. As at 30 September 2011, Mr. Ting Kwang Yuan, Edmond held the convertible bonds with a nominal value of HK\$1,650,000. Upon full conversion of the convertible bonds at the conversion price of HK\$4.80 per share (as adjusted on 20 July 2011), 343,750 shares will be issued to Mr. Ting Kwang Yuan, Edmond by the Company.
6. As at 30 September 2011, Mr. Wong Hau Yan, Helvin held the convertible bonds with a nominal value of HK\$420,000. Upon full conversion of the convertible bonds at the conversion price of HK\$4.80 per share (as adjusted on 20 July 2011), 87,500 shares will be issued to Mr. Wong Hau Yan, Helvin by the Company.

Save as disclosed above, none of the Directors or chief executives of the Company had, as at 30 September 2011, 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.

Disclosure of Interests

Discloseable Interests and Short Positions of Substantial Shareholders Under SFO

As at 30 September 2011, the substantial 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 % of the issued share capital (Note 1)
Goldin Group (Investment) (Note 2)	Long position	Beneficial owner	659,134,341	53.37%
Ms. Liu Yang (Note 3)	Long position	Interest of controlled corporation	100,000,000	8.10%
Atlantis Capital Holdings Limited (Note 3)	Long position	Interest of controlled corporation	100,000,000	8.10%
Clear Jade (Note 4)	Long position	Beneficial owner	79,330,000	6.42%

(b) Interests in underlying shares

- (i) Interests in convertible bonds due on 28 August 2012

Name of shareholder	Long position/ short position	Capacity	Number of underlying shares held	Approximate % of the issued share capital (Note 1)
Goldin Group (Investment) (Note 2)	Long position	Beneficial owner	376,648,194 (Note 5)	30.50%

Disclosure of Interests

Discloseable Interests and Short Positions of Substantial Shareholders Under SFO (continued)

(b) Interests in underlying shares

(ii) Interests in convertible bonds due on 21 January 2014

Name of shareholder	Long position/ short position	Capacity	Number of underlying shares held	Approximate % of the issued share capital (Note 1)
Goldin Group (Investment) (Note 2)	Long position	Beneficial owner	975,958,892 (Note 6)	79.02%

Notes:

1. As at 30 September 2011, the total number of ordinary shares of the Company in issue was 1,235,094,858 shares.
2. As at 30 September 2011, 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 2011, Atlantis Capital Holdings Limited was 100% owned by Ms. Liu Yang. Accordingly, Ms. Liu Yang was deemed to be interested in 100,000,000 shares held by Atlantis Capital Holdings Limited.
4. As at 30 September 2011, Clear Jade was 100% owned by Mr. Pan.
5. As at 30 September 2011, 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) by the Company.
6. As at 30 September 2011, Goldin Group (Investment) held the convertible bonds with a nominal value of HK\$4,684,602,684. Upon full conversion of the convertible bonds at the conversion price of HK\$4.80 per share (as adjusted on 20 July 2011), 975,958,892 shares will be issued to Goldin Group (Investment) by the Company.

Save as disclosed above, as at 30 September 2011, 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

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 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. 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.

The following tables disclose details of the Company’s share option movements during the six months ended 30 September 2011:

(i) Directors

Name of Director	Date of grant	Exercise price per share HK\$	Exercisable period	Number of share options					
				Outstanding at 1.4.2011	Reclassified from “Directors” to “Other participants” (Note 1)	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at 30.9.2011
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 Xiaojin	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
				420,000	—	—	—	—	420,000

Other Information

Share Options (continued)

(i) Directors (continued)

Name of Director	Date of grant	Exercise price per share HK\$	Exercisable period	Number of share options					
				Outstanding at 1.4.2011	Reclassified from "Directors" to "Other participants" (Note 1)	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at 30.9.2011
Mr. Zhou Xiaojin	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	3.8.2011 to 2.8.2019	600,000	—	—	—	—	600,000
	3.8.2009	3.30	3.8.2012 to 2.8.2019	800,000	—	—	—	—	800,000
				1,400,000	—	—	—	—	1,400,000
Mr. Li Huamao	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	3.8.2009	3.30	3.8.2010 to 2.8.2019	214,180	—	—	—	—	214,180
	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
				1,054,180	—	—	—	—	1,054,180
				6,874,180	(2,000,000)	—	—	—	4,874,180

Other Information

Share Options (continued)

(ii) Employees (other than Directors)

Date of grant	Exercise price per share HK\$	Exercisable period	Number of share options				
			Outstanding at 1.4.2011	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at 30.9.2011
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	1,365,360	—	—	(90,000)	1,275,360
3.8.2009	3.30	3.8.2011 to 2.8.2019	2,331,000	—	—	(99,000)	2,232,000
3.8.2009	3.30	3.8.2012 to 2.8.2019	3,108,000	—	—	(132,000)	2,976,000
21.4.2010 (Note 3)	3.17	21.4.2011 to 20.4.2020	4,500,000	—	—	(2,898,000)	1,602,000
21.4.2010 (Note 3)	3.17	21.4.2012 to 20.4.2020	4,500,000	—	—	(54,000)	4,446,000
21.4.2010 (Note 3)	3.17	21.4.2013 to 20.4.2020	6,000,000	—	—	(72,000)	5,928,000
10.8.2010 (Note 2)	3.75	10.8.2011 to 9.8.2020	1,200,000	—	—	(561,000)	639,000
10.8.2010 (Note 2)	3.75	10.8.2012 to 9.8.2020	1,200,000	—	—	(90,000)	1,110,000
10.8.2010 (Note 2)	3.75	10.8.2013 to 9.8.2020	1,600,000	—	—	(120,000)	1,480,000
			36,465,823	—	—	(4,116,000)	32,349,823

Other Information

Share Options (continued)

(iii) Other participants

Date of grant	Exercise price per share HK\$	Exercisable period	Number of share options					
			Outstanding at 1.4.2011	Reclassified from "Directors" to "Other participants" (Note 1)	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at 30.9.2011
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	2,104,180	—	—	—	—	2,104,180
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	—	—	(122,455)	—	3,477,545
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
10.8.2010 (Note 2)	3.75	10.8.2011 to 9.8.2020	—	600,000	—	—	—	600,000
10.8.2010 (Note 2)	3.75	10.8.2012 to 9.8.2020	—	600,000	—	—	—	600,000
10.8.2010 (Note 2)	3.75	10.8.2013 to 9.8.2020	—	800,000	—	—	—	800,000
			22,274,750	2,000,000	—	(122,455)	—	24,152,295

Other Information

Share Options (continued)

Notes:

1. Mr. Wang Wuren had resigned as executive director and vice chairman of the Company on 27 July 2011 but retained as a consultant to the Group. Therefore, share options held by Mr. Wang Wuren were re-classified from the category of "Directors" to "Other participants" on the same date.
2. Share options granted on 10 August 2010 were conditionally granted to a Director (the share options of which were re-classified from the category of "Directors" to "Other participants" on 27 July 2011 as mentioned in Note 1 above) and employees (other than Directors) of the Company, subject to the achievement of the performance targets as determined by the Board.
3. Share options granted on 21 April 2010 were conditionally granted to the employees (other than Directors) of the Company, subject to the achievement of the performance targets as determined by the Board.

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

The weighted average closing price of the Company's shares immediately before the date on which the share options were exercised, was HK\$2.85 per share.

Directors' Right to Acquire Shares or Debentures

Save as disclosed in the sections headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" under "Disclosure of Interests" and "Share Options" above, at no time during the Review Period was the Company, any of its subsidiaries or its holding companies a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

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

During the Review Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

On behalf of the Board
Pan Sutong
Chairman

Hong Kong, 24 November 2011

The Board is pleased to present the unaudited interim results of the Group for the six months ended 30 September 2011.

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 September 2011

		Six months ended 30 September	
	Notes	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)
Revenue		–	–
Cost of sales		–	–
Gross profit		–	–
Other income	4	7,893	495
Administrative expenses		(204,419)	(109,555)
Foreign exchange gains, net		132,200	45,309
Finance costs	5	(131,579)	(126,578)
Increase in fair value of investment properties		6,085	256,638
Gains on derivatives	6	908,368	44
Profit before tax	7	718,548	66,353
Income tax expense	8	(1,521)	(64,160)
Profit for the period attributable to owners of the Company		717,027	2,193
Other comprehensive income			
Exchange difference arising on translation		152,676	196,036
Total comprehensive income for the period attributable to owners of the Company		869,703	198,229
Dividend	9	–	–
Earnings (loss) per share	10		
Basic		58.06 HK cents	0.18 HK cents
Diluted		(7.58) HK cents	N/A

Condensed Consolidated Statement of Financial Position

At 30 September 2011

	Notes	30.9.2011 HK\$'000 (unaudited)	31.3.2011 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment and ponies	11	2,660,348	2,057,203
Investment properties	12	7,178,480	6,824,650
Other assets		349,329	340,739
Prepaid lease payments		255,058	251,830
Intangible assets		90	90
Deposits paid for acquisition of property, plant and equipment		35,270	41,759
		10,478,575	9,516,271
Current assets			
Inventories		36,091	30,583
Properties under development for sale		3,929,453	3,059,855
Prepaid lease payments		6,240	6,086
Trade and other receivables, prepayments and deposits	13	308,791	196,367
Entrusted loan receivable		–	11,900
Bank balances and cash		1,043,570	2,287,706
		5,324,145	5,592,497
Current liabilities			
Trade and other payables	14	1,808,179	1,376,964
Amounts due to related companies		37,671	46,469
Tax payable		29,523	29,151
Entrusted loan payable		–	11,900
Obligations under finance leases – amount due within one year		73	68
Convertible bonds (including conversion option derivatives)		1,464,984	–
		3,340,430	1,464,552
Net current assets		1,983,715	4,127,945
Total assets less current liabilities		12,462,290	13,644,216

Condensed Consolidated Statement of Financial Position

At 30 September 2011

	Notes	30.9.2011 HK\$'000 (unaudited)	31.3.2011 HK\$'000 (audited)
Non-current liabilities			
Obligations under finance leases			
– amount due after one year		245	282
Convertible bonds (including conversion option derivatives)		4,387,510	6,479,140
Deferred tax liabilities		892,594	869,161
		5,280,349	7,348,583
		7,181,941	6,295,633
Capital and reserves			
Share capital	15	61,755	61,748
Reserves		7,120,186	6,233,885
Total equity		7,181,941	6,295,633

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2011

	Attributable to owners of the Company							
	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	Total HK\$'000
At 1 April 2011 (audited)	61,748	3,022,067	90,031	588,432	(180,932)	173	2,714,114	6,295,633
Profit for the period	-	-	-	-	-	-	717,027	717,027
Exchange difference arising on translation	-	-	-	152,676	-	-	-	152,676
Total comprehensive income for the period	-	-	-	152,676	-	-	717,027	869,703
Recognition of equity-settled share-based payments	-	-	16,143	-	-	-	-	16,143
Exercise of share options	6	643	(261)	-	-	-	-	388
Lapse of share options	-	-	(1,151)	-	-	-	1,151	-
Conversion of convertible bonds	1	73	-	-	10	-	(10)	74
At 30 September 2011 (unaudited)	61,755	3,022,783	104,762	741,108	(180,922)	173	3,432,282	7,181,941
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	-	-	199	-	(199)	1,400
At 30 September 2010 (unaudited)	61,173	2,966,049	73,763	513,289	(185,719)	173	2,598,070	6,026,798

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2011

	Six months ended 30 September	
	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)
Net cash used in operating activities	(805,445)	(519,430)
Net cash used in investing activities	(241,028)	(823,520)
Net cash (used in) generated from financing activities	(255,667)	1,397,057
Net (decrease) increase in cash and cash equivalents	(1,302,140)	54,107
Cash and cash equivalents at the beginning of the period	2,287,706	585,748
Effect of foreign exchange rate changes	58,004	20,207
Cash and cash equivalents at the end of the period	1,043,570	660,062
Analysis of balances of cash and cash equivalents		
Bank balances and cash	1,043,570	660,062

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2011

1. Basis of Preparation

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to 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**”). The interim results has been reviewed by the Audit Committee and was authorised to issue by the Board on 24 November 2011.

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 2011.

In the current interim period, the Group has applied, for the first time, the following new or revised standards, amendments and interpretations of Hong Kong Financial Reporting Standards (“new or revised HKFRSs”) issued by the HKICPA, which are effective for the Group’s financial year beginning on 1 April 2011.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010
HKFRS 1 (Amendments)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters
HKAS 24 (as revised in 2009)	Related Party Disclosures
HK(IFRIC) – Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments

The application of the above new or revised HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements of the Group for the current or prior accounting periods.



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2011

2. Principal Accounting Policies (continued)

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

HKFRS 1 (Amendments)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters ¹
HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets ¹
HKFRS 9	Financial Instruments ⁴
HKFRS 10	Consolidated Financial Statements ⁴
HKFRS 11	Joint Arrangements ⁴
HKFRS 12	Disclosure of Interests in Other Entities ⁴
HKFRS 13	Fair Value Measurement ⁴
HKAS 1 (Revised)	Presentation of Financial Statements on the Presentation of Other Comprehensive Income ³
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets ²
HKAS 19 (as revised in 2011)	Employee Benefits ⁴
HKAS 27 (as revised in 2011)	Separate Financial Statements ⁴
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ⁴

¹ Effective for annual periods beginning on or after 1 July 2011.

² Effective for annual periods beginning on or after 1 January 2012.

³ Effective for annual periods beginning on or after 1 July 2012.

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

The Directors anticipate that the application of the amendments to HKAS 12 may have an impact on deferred tax recognised for investment properties measured using fair value model. The management is in the process of ascertaining the financial impact. Except for that, the Directors anticipate that the application of other new or revised standards or amendments will have no material impact on the results and the financial position of the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2011

3. Segment Information

Information provided to the Directors, being the chief operating decision maker, for the purposes of resources allocation and assessment of segment performance focuses on types of properties or services delivered or provided. This is also the basis of organisation in the Group, whereby the management has chosen to organise the Group in different operating activities.

Specifically, the Group's reportable segments under HKFRS 8 are as follows:

1. Property development – developing and selling properties
2. Property investment – leasing of investment properties
3. Hotel and polo club operation – provision of hotel accommodation and related services, food and beverage sales and polo club related services and facilities

The following is an analysis of the Group's revenue and results by reportable segment:

	Six months ended 30 September							
	Property development		Property investment		Hotel and polo club operation		Total	
	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)
Revenue	-	-	-	-	-	-	-	-
Segment (loss) profit	(38,369)	(4,366)	1,477	247,190	(102,093)	(7,328)	(138,985)	235,496
Interest income							6,559	364
Unallocated corporate income (expenses), net							74,185	(42,973)
Finance costs							(131,579)	(126,578)
Gains on derivatives							908,368	44
Profit before tax							718,548	66,353

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 and gains on derivatives. This is the measure reported to the chief operating decision maker, the Directors, for the purposes of resource allocation and performance assessment.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2011

4. Other Income

	Six months ended 30 September	
	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)
Interest received on bank deposits	6,559	364
Others	1,334	131
	7,893	495

5. Finance Costs

	Six months ended 30 September	
	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)
Interest on:		
– Finance leases	24	32
– Shareholder's loan and other borrowings wholly repayable within five years	–	8,296
Effective interest expense on convertible bonds	497,029	118,250
	497,053	126,578
Less: Amount capitalised in investment properties under construction	(26,423)	–
Amount capitalised in construction in progress	(142,107)	–
Amount capitalised in properties under development for sale	(196,944)	–
	131,579	126,578

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2011

6. Gains on Derivatives

	Six months ended 30 September	
	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)
Fair value change on conversion option derivative of convertible bonds	908,368	(334)
Fair value change on other derivative financial instruments	–	378
	908,368	44

7. Profit Before Tax

	Six months ended 30 September	
	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)
Profit before tax has been arrived at after charging:		
Amortisation of prepaid lease payments	3,120	–
Less: Amount capitalised in construction in progress	(2,303)	–
	817	–
Depreciation of property, plant and equipment and ponies	18,349	1,637

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2011

8. Income Tax Expense

	Six months ended 30 September	
	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)
The income tax expense comprises:		
Deferred tax	(1,521)	(64,160)

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 Board do not recommend the payment of an interim dividend for the six months ended 30 September 2011 (2010: Nil).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2011

10. Earnings (Loss) Per Share

The calculation of the basic and diluted earnings (loss) per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 September	
	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)
Earnings (Loss)		
Earnings for the purpose of basic earnings per share (profit for the period attributable to owners of the Company)	717,027	2,193
Effect of dilutive potential ordinary shares:		
– Fair value change on convertible option derivative of convertible bonds	(908,368)	334
– Interest on convertible bonds	131,555	118,250
– Exchange gain in relation to liability component of convertible bonds recognised in profit or loss	(132,272)	(37,669)
(Loss) Profit for the purpose of diluted earnings per share	(192,058)	83,108
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,234,980,764	1,222,865,425
Effect of dilutive potential ordinary shares:		
– Share options	3,473,640	10,319,787
– Convertible bonds	1,294,844,402	405,308,908
Weighted average number of ordinary shares for the purpose of diluted earnings per share	2,533,298,806	1,638,494,120

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2011

10. Earnings (Loss) Per Share (continued)

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

The computation of diluted earnings per share for the period ended 30 September 2011 does not assume the exercise of certain of the Company's share options as the exercise price was higher than the average market price per share for the period.

The computation of diluted earnings per share for the period ended 30 September 2010 did not assume the exercise of the Company's outstanding warrants and certain share option as the exercise price was higher than the average market price per share for the period.

11. Property, plant and equipment and ponies

	HK\$'000
At 1 April 2010 (audited)	326,607
Exchange realignment	53,713
Additions	1,685,886
Disposals	(864)
Depreciation	(8,139)
<hr/>	
At 31 March 2011 and 1 April 2011 (audited)	2,057,203
Exchange realignment	48,188
Additions	573,698
Disposals	(392)
Depreciation	(18,349)
<hr/>	
At 30 September 2011 (unaudited)	2,660,348

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2011

12. Investment Properties

	HK\$'000
At 1 April 2010 (audited)	5,762,928
Exchange realignment	292,985
Construction cost incurred and capitalised expenditure	318,262
Increase in fair value recognised in profit or loss	450,475
At 31 March 2011 and 1 April 2011 (audited)	6,824,650
Exchange realignment	171,443
Construction cost incurred and capitalised expenditure	176,302
Increase in fair value recognised in profit or loss	6,085
At 30 September 2011 (unaudited)	7,178,480

The fair value of the Group's investment properties at 30 September 2011 and 31 March 2011 has been arrived at on the basis of a valuation carried out on that date by Savills Valuation and Professional Services Limited, an independent qualified professional valuer not connected with the Group, who has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

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 under construction and located on leasehold lands in the PRC under medium-term leases.

13. Trade and Other Receivables, Prepayments and Deposits

	30.9.2011 HK\$'000 (unaudited)	31.3.2011 HK\$'000 (audited)
Trade receivables	1,295	1,361
Less: Allowance for doubtful debts	(1,295)	(1,361)
Other receivables and prepayments	—	—
Deposits	299,813	187,267
Total trade and other receivables, prepayments and deposits	308,791	196,367

There are 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.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2011

14. Trade and Other Payables

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

	30.9.2011 HK\$'000 (unaudited)	31.3.2011 HK\$'000 (audited)
0–90 days	1,092,976	703,758
91–180 days	7,260	–
Over 180 days	2,808	1,774
Total trade payables	1,103,044	705,532
Retention payables	190,002	171,468
Dividend payable	1,101	1,102
Other payables	184,632	177,562
Deposit received in advance	329,400	321,300
	1,808,179	1,376,964

15. Share Capital

Ordinary shares of HK\$0.05 each

	Number of shares	Share capital HK\$'000
Authorised:		
At 1 April 2010, 31 March 2011 and 30 September 2011	10,000,000,000	500,000
Issued and fully paid:		
At 1 April 2010 (audited)	1,222,782,293	61,139
Issue of new shares upon exercise of share options	2,157,280	108
Issue of new shares upon conversion of convertible bonds	10,012,259	501
At 31 March 2011 (audited)	1,234,951,832	61,748
Issue of new shares upon exercise of share options	122,455	6
Issue of new shares upon conversion of convertible bonds	20,571	1
At 30 September 2011 (unaudited)	1,235,094,858	61,755

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2011

16. Share-Based Payment Transactions

The Company adopted the Scheme on 27 August 2002 for the purpose of providing incentives or rewards to participants.

122,455 (31 March 2011: 2,157,280) and 4,116,000 (31 March 2011: 1,585,000) share options were exercised and lapsed respectively during the period ended 30 September 2011.

During the period end 30 September 2011, share-based payments in respect of the Scheme with total amount of HK\$16,143,000 (30 September 2010: HK\$28,612,000) was recognised as an expense before capitalisation.

17. Contingent Liabilities and Commitments

At 30 September 2011 and 31 March 2011, the Company provided a limited guarantee of HK\$2,000,000 to a bank in respect of credit facilities granted to a subsidiary. The aggregate amount of such credit facilities utilised by the subsidiary at 30 September 2011 and 31 March 2011 were approximately HK\$196,000 and HK\$207,000, respectively.

As at 30 September 2011, the Group had commitments at approximately HK\$2,144.5 million (31 March 2011: HK\$1,503.0 million).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2011

18. Related Party Transactions

During the period ended 30 September 2011, the interest expenses on convertible bonds due 2012 and 2014 that were paid or payable to Goldin Group (Investment) Limited, Matsunichi Goldbase Global (Management) Limited and the Directors amounted to approximately HK\$241,437,000 (2010: HK\$49,302,000).

Interest expense in relation to the shareholder's loan paid or payable during the six months ended 30 September 2010 was HK\$8,296,000 (2011: Nil).

During the period ended 30 September 2011, Good Vantage Trading Limited purchased construction materials of the Group on trust amounted to approximately HK\$32,339,000 (2010: Nil).

Compensation of key management personnel amounted to approximately HK\$18,314,000 (2010: HK\$20,337,000) for the six months ended 30 September 2011.

19. Events after the end of the Interim Period

Subsequent to the reporting date, the Company has in its joint announcement with a connected party, Goldin Financial Holdings Limited ("**Goldin Financial**") dated 31 October 2011 announced that Goldin Properties (Construction Management) Limited (the "**Project Manager**"), a wholly-owned subsidiary of the Company, entered into a project management agreement (the "**Agreement**") with a non wholly-owned subsidiary of Goldin Financial, Smart Edge Limited (the "**Developer**").

Pursuant to the Agreement, the Developer agreed to appoint the Project Manager to manage the construction and development of a piece of land parcel located at the Kowloon Bay, Hong Kong (the "**Project**") on behalf of the Developer from 1 November 2011 until the date of settlement of the final account in respect of the Project which is expected to be a date not later than the end of February 2017 for an estimated project management fee of approximately HK\$11.7 million.

The provision of the project management services to the Developer by the Project Manager constitutes a connected transaction for the Company with Goldin Financial under the Listing Rules.