



信和酒店(集團)有限公司
Sino Hotels (Holdings) Limited

2011-2012 Interim Report

二零一一至二零一二年度
中期報告書



The Royal Pacific Hotel and Towers
皇家太平洋酒店

This interim report (“Interim Report”) (in both English and Chinese versions) has been posted on the Company’s website at www.sino.com. Shareholders who have chosen to rely on copies of the Corporate Communications (including but not limited to annual report, summary financial report (where applicable), interim report, summary interim report (where applicable), notice of meeting, listing document, circular and proxy form) posted on the Company’s website in lieu of any or all the printed copies thereof may request printed copy of the Interim Report.

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Shareholders may at any time choose to change their choice of language and means of receipt (i.e. in printed form or by electronic means through the Company’s website) of all future Corporate Communications from the Company by giving notice in writing by post to the Company’s Principal Registrars, Tricor Friendly Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong or by email at sinohotels1221-ecom@hk.tricorglobal.com.

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股東可隨時發出書面通知予本公司主要股票登記處，卓佳準誠有限公司，郵寄地址為香港皇后大道東28號金鐘匯中心26樓，或透過電郵地址sinohotels1221-ecom@hk.tricorglobal.com，要求更改所選擇收取公司通訊的語言版本及收取方式（印刷方式或以透過本公司網站之電子方式）。

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CORPORATE INFORMATION

Board of Directors

Robert Ng Chee Siong, Chairman
Ronald Joseph Arculli, GBM, CVO, GBS, OBE, JP#
Gilbert Lui Wing Kwong#
Peter Wong Man Kong, BBS, JP*
Adrian David Li Man-kiu, JP*
Steven Ong Kay Eng*
Wong Cho Bau, JP*
Thomas Tang Wing Yung
Daryl Ng Win Kong
Nicholas Yim Kwok Ming

(# Non-Executive Directors)

(* Independent Non-Executive Directors)

Audit Committee

Adrian David Li Man-kiu, JP, Chairman
Gilbert Lui Wing Kwong
Peter Wong Man Kong, BBS, JP
Steven Ong Kay Eng

Remuneration Committee

Daryl Ng Win Kong, Chairman
Peter Wong Man Kong, BBS, JP
Adrian David Li Man-kiu, JP

Authorized Representatives

Robert Ng Chee Siong
Velencia Lee (appointed on 1st January, 2012)

Secretary

Velencia Lee (appointed on 1st January, 2012)

Auditor

Deloitte Touche Tohmatsu
Certified Public Accountants, Hong Kong

Solicitors

Baker & McKenzie, Hong Kong
Clifford Chance, Hong Kong
Maples and Calder, Cayman Islands

Shareholders' Calendar

Closure of Register of Members 15th March, 2012 to
19th March, 2012
(both dates inclusive)

Record Date for interim dividend entitlement 19th March, 2012

Last Date for lodging scrip dividend election forms 11th April, 2012
4:30 p.m.

Interim Dividend Payable HK4 cents per share
24th April, 2012

Principal Bankers

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

Investor Relations Contact

Please direct enquiries to:
General Manager – Corporate Finance
Telephone : (852) 2734 8312
Fax : (852) 2369 1236
Email : investorrelations@sino.com

Principal Office

12th Floor, Tsim Sha Tsui Centre,
Salisbury Road, Tsim Sha Tsui,
Kowloon, Hong Kong
Telephone : (852) 2721 8388
Fax : (852) 2723 5901
Website : www.sino.com
Email : info@sino.com

Registered Office

P.O. Box 309,
Ugland House, Grand Cayman,
KY1-1104, Cayman Islands

Principal Registrars

Tricor Friendly Limited
26th Floor, Tesbury Centre,
28 Queen's Road East,
Hong Kong
Telephone : (852) 2980 1333
Fax : (852) 2861 1465
Email : sinohotels1221-ecom@hk.tricorglobal.com

Listing Information

Stock Code 1221

CHAIRMAN'S STATEMENT

I am pleased to present my interim report to the shareholders.

INTERIM RESULTS

The Group's net profit attributable to shareholders for the six months ended 31st December, 2011 ("Interim Period") was HK\$127.4 million, representing an increase of 52.0% when compared with HK\$83.8 million for the last period.

Turnover of the Group for the Interim Period was HK\$175.9 million (2010: HK\$140.1 million). Earnings per share for the period was 14.08 cents (2010: 9.50 cents).

The unaudited results for the Interim Period have been reviewed by the Company's auditors, Deloitte Touche Tohmatsu and they reflect the adoption of all Hong Kong Financial Reporting Standards applicable to the Group that are effective for the accounting period.

DIVIDEND

The Directors have declared an interim dividend of 4 cents per share payable on 24th April, 2012 to shareholders whose names appear on the Register of Members of the Company on 19th March, 2012.

The interim dividend will be payable in cash but shareholders will be given the option of electing to receive the interim dividend in the form of new shares in lieu of cash in respect of part or all of such dividend. The new shares to be issued pursuant to the scrip dividend scheme are subject to their listing being granted by the Listing Committee of The Stock Exchange of Hong Kong Limited.

A circular containing details of the scrip dividend scheme will be despatched to shareholders together with the form of election for the scrip dividend on or about 22nd March, 2012. It is expected that the interim dividend warrants and share certificates will be despatched to shareholders on or about 24th April, 2012.

REVIEW OF OPERATIONS

Visitor arrivals to Hong Kong in 2011 reached a new high of 41.9 million, representing an increase of 16.3% compared with 36.0 million in 2010. The amount of spending by inbound tourism well exceeded HK\$250 billion. Good growth is seen for visitors from China, Asia and the United States. Benefiting from the growth of tourism, three hotels under the Group, namely City Garden Hotel, The Royal Pacific Hotel & Towers and Conrad Hong Kong yielded favourable financial results for the Interim Period compared with the results in the corresponding period last year.

Occupancy rates for City Garden Hotel, The Royal Pacific Hotel & Towers and Conrad Hong Kong for the Interim Period were 95.8%, 91.5% and 79.1% compared with 96.2%, 92.1% and 77.6% respectively for the corresponding period in 2010.

The turnover of City Garden Hotel, The Royal Pacific Hotel & Towers and Conrad Hong Kong during the Interim Period was HK\$163.3 million, HK\$229.2 million and HK\$387.0 million respectively compared with HK\$128.3 million, HK\$189.7 million and HK\$352.0 million for the corresponding period in 2010.

CHAIRMAN'S STATEMENT *(Continued)*

FINANCE

As at 31st December, 2011, the Group's gearing ratio, expressed as a percentage of bank and other borrowings net of cash and bank balances over shareholders' equity, was at a low of approximately 2.3%. Of the total borrowings, 40.6% was repayable within one year and the remaining repayable after one year. The Group, including the attributable share of its associates, held cash resources of approximately HK\$184.4 million, comprising cash on hand of approximately HK\$175.4 million together with committed undrawn facilities of approximately HK\$9.0 million.

There was no material change in foreign currency borrowings and the capital structure of the Group for the Interim Period. Foreign exchange exposure is kept at a minimal level. The majority of the Group's borrowings are subject to floating interest rates. The Group has maintained a prudent and sound financial management policy and has not entered into any transaction relating to derivatives and/or any other form of accumulators, swap transactions and options.

As at 31st December, 2011, the Group did not have any contingent liabilities.

Other than the abovementioned, there was no material change from the information published in the report and accounts for the year ended 30th June, 2011.

CORPORATE SOCIAL RESPONSIBILITY

Corporate social responsibility ("CSR") continues to be the core value of the Group. As a committed corporate citizen, the Group attaches great importance in developing a sustainable business environment. It carries out community work that benefits the needy through initiatives and services that actively engage the management and staff at all levels.

In 2011, the Group formulated the Community Engagement Programmes. Under the Programmes, a series of events were implemented. These events included Hot Soup Delivery Service to elders and community centres, voluntary community services, charity walks and regular food donations to non-governmental organisations (NGOs). Environmental conservation related initiatives undertaken by the Group during the Interim Period included corporate food waste reduction programme, energy saving measures in all hotel operations and eco-friendly installations.

In recognition of the Group's effort in CSR, City Garden Hotel and The Royal Pacific Hotel & Towers have been awarded the "18 Districts Caring Employers 2011 Award". Further, all the hotels under the Group are nominated as "Caring Company 2010/2011".

The Group will continue to shape a better and greener future through the concerted efforts of its entire team of staff.

EMPLOYEE PROGRAMMES

The Group continues to invest in our most valuable asset – human resources as we strongly believe in the benefits of nurturing, developing and retaining a reliable string of skilled and professional workforce. The Group is committed to providing team members with ongoing career development, promotion opportunities and attractive incentive schemes under a sustainable business culture in a highly competitive market environment. Building innovative and connected teams through effective communication is also emphasised. Supporting and participating in territory-wide community and volunteer programmes that build stronger and long-term relationships with the stakeholders are highly encouraged and these have become regular events and activities for the staff.

CHAIRMAN'S STATEMENT *(Continued)*

INDUSTRY OUTLOOK AND PROSPECTS

International tourist arrivals increased by 4.4% to 980 million in 2011 despite a difficult global economic environment mainly due to sovereign debt issues in the Euro zone. UNWTO forecast that international tourist arrivals will continue to grow in 2012. Hong Kong showed better-than-expected growth in visitor arrivals to 41.9 million which well exceeded the HKSAR Government's estimate of 39.6 million.

Tourism is an important industry that directly affects economic growth as it accounts for approximately 5% of the world's GDP according to the statistics of UNWTO. Investment in the industry by the governments will yield substantial economic benefits which are supportive to world economic growth. The HKSAR Government's continuous efforts in supporting the tourism industry by investing in a variety of infrastructure projects, including developing Hong Kong as a regional cruise hub, redevelopment of the Ocean Park, expansion of Hong Kong Disneyland and enhancement and beautification works of Tsim Sha Tsui East, are positive to the growth of not only the tourism industry but also creating employment and driving economic growth. The funding support for important events through the Mega Events Fund will encourage local non-profit-making organisations to organise more high-quality events of international appeal. Moreover, the HKSAR Government is in the process of formulating a regulatory framework to strengthen the operations of the tourism sector and this is positive to the long-term development of the industry. All these combined will build Hong Kong an attractive city for visitors and the people of Hong Kong.

The Group places significant importance on asset enhancement for the purpose of providing better quality products and services for our discerning guests. This is to ensure that the guests will have an enjoyable experience at our hotels. During the Interim Period, both Conrad Hong Kong and The Royal Pacific Hotel & Towers undertook various renovations, including some of their guestrooms and facilities. The Group will continue to review and evaluate the need and viability for upgrading its hotels' guest rooms, restaurants, facilities and information technology, which ultimately will help us serve our customers better. Management will continue to make substantial efforts on increasing revenues, yields and at the same time optimising the operational efficiency of the hotels so as to enhance its shareholders' value. The Directors are confident in the prospects of the Group.

STAFF AND MANAGEMENT

On behalf of the Board, I would like to take this opportunity to express my sincere appreciation to all staff for their commitment, dedication and continuing support. I would also like to express my gratitude to my fellow Directors for their guidance and wise counsel.

Robert NG Chee Siong
Chairman

Hong Kong, 28th February, 2012

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 31st December, 2011

		Six months ended	
		31st December,	31st December,
		2011	2010
	<i>NOTES</i>	HK\$	HK\$
		(Unaudited)	(Unaudited)
Revenue	3, 4	175,942,554	140,132,339
Cost of sales		(50,019,885)	(44,696,482)
Other operating expenses		(42,939,800)	(43,053,560)
Marketing costs		(7,895,928)	(7,353,502)
Administrative expenses		(13,630,572)	(10,918,616)
Finance income	5	467,641	355,376
Finance costs	6	(1,597,874)	(3,159,586)
Finance costs net of finance income		(1,130,233)	(2,804,210)
Share of results of associates		78,982,069	59,727,472
Profit before taxation	7	139,308,205	91,033,441
Income tax expense	8	(11,861,949)	(7,221,845)
Profit for the period attributable to the Company's shareholders		127,446,256	83,811,596
Earnings per share– Basic	10	HK14.08 cents	HK9.50 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31st December, 2011

	Six months ended	
	31st December, 2011 <i>HK\$</i> (Unaudited)	31st December, 2010 <i>HK\$</i> (Unaudited)
Profit for the period	<u>127,446,256</u>	<u>83,811,596</u>
Other comprehensive (expense) income		
(Loss) gain on fair value change of available-for-sale financial assets	<u>(240,021,371)</u>	<u>20,528,535</u>
Other comprehensive (expense) income for the period	<u>(240,021,371)</u>	<u>20,528,535</u>
Total comprehensive (expense) income for the period attributable to the Company's shareholders	<u>(112,575,115)</u>	<u>104,340,131</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31st December, 2011

	<i>NOTES</i>	31st December, 2011 HK\$ (Unaudited)	30th June, 2011 HK\$ (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	11	1,488,013,727	1,502,897,491
Interests in associates	12	1,128,983,774	1,481,691,205
Available-for-sale financial assets		470,748,065	710,769,436
Pledged fixed deposit		–	1,559,678
		3,087,745,566	3,696,917,810
CURRENT ASSETS			
Hotel inventories		889,708	788,905
Trade and other receivables	13	14,391,829	8,021,037
Amounts due from associates		215,681,677	240,322,746
Tax recoverable		72,405	–
Pledged fixed deposit		1,560,627	–
Bank balances and cash		29,715,411	27,001,555
		262,311,657	276,134,243
CURRENT LIABILITIES			
Trade and other payables	14	33,030,576	25,437,841
Tax payable		18,054,581	16,945,436
Bank loans and other borrowings		42,713,526	42,713,423
		93,798,683	85,096,700
NET CURRENT ASSETS		168,512,974	191,037,543
TOTAL ASSETS LESS CURRENT LIABILITIES		3,256,258,540	3,887,955,353
CAPITAL AND RESERVES			
Share capital		917,849,574	903,307,135
Reserves		2,269,018,358	2,397,263,969
		3,186,867,932	3,300,571,104
NON-CURRENT LIABILITIES			
Bank loans and other borrowings		62,274,422	143,143,322
Amount due to an associate		–	437,460,962
Deferred taxation		7,116,186	6,779,965
		69,390,608	587,384,249
		3,256,258,540	3,887,955,353

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31st December, 2011

	Share capital HK\$	Share premium HK\$	Investment revaluation reserve HK\$	Distributable reserve HK\$	Retained profits HK\$	Total HK\$
At 1st July, 2010 (audited)	880,506,492	233,835,600	322,995,822	1,341,359,554	337,424,191	3,116,121,659
Profit for the period	–	–	–	–	83,811,596	83,811,596
Gain on fair value change of available-for-sale financial assets	–	–	20,528,535	–	–	20,528,535
Total comprehensive income for the period	–	–	20,528,535	–	83,811,596	104,340,131
Sub-total	880,506,492	233,835,600	343,524,357	1,341,359,554	421,235,787	3,220,461,790
Shares issued pursuant to scrip dividend scheme for final dividend in respect of the year ended 30th June, 2010	12,274,350	16,732,396	–	–	–	29,006,746
Share issue expenses	–	(30,760)	–	–	–	(30,760)
Dividend	–	–	–	(29,937,221)	–	(29,937,221)
At 31st December, 2010 (unaudited)	892,780,842	250,537,236	343,524,357	1,311,422,333	421,235,787	3,219,500,555
Profit for the period	–	–	–	–	99,499,399	99,499,399
Loss on fair value change of available-for-sale financial assets	–	–	(17,456,351)	–	–	(17,456,351)
Total comprehensive (expense) income for the period	–	–	(17,456,351)	–	99,499,399	82,043,048
Sub-total	892,780,842	250,537,236	326,068,006	1,311,422,333	520,735,186	3,301,543,603
Shares issued pursuant to scrip dividend scheme for interim dividend in respect of the year ended 30th June, 2011	10,526,293	15,473,651	–	–	–	25,999,944
Share issue expenses	–	(189,018)	–	–	–	(189,018)
Dividend	–	–	–	(26,783,425)	–	(26,783,425)
At 30th June, 2011 (audited)	903,307,135	265,821,869	326,068,006	1,284,638,908	520,735,186	3,300,571,104
Profit for the period	–	–	–	–	127,446,256	127,446,256
Loss on fair value change of available-for-sale financial assets	–	–	(240,021,371)	–	–	(240,021,371)
Total comprehensive (expense) income for the period	–	–	(240,021,371)	–	127,446,256	(112,575,115)
Sub-total	903,307,135	265,821,869	86,046,635	1,284,638,908	648,181,442	3,187,995,989
Shares issued pursuant to scrip dividend scheme for final dividend in respect of the year ended 30th June, 2011	14,542,439	20,504,838	–	–	–	35,047,277
Share issue expenses	–	(43,049)	–	–	–	(43,049)
Dividend	–	–	–	(36,132,285)	–	(36,132,285)
At 31st December, 2011 (unaudited)	917,849,574	286,283,658	86,046,635	1,248,506,623	648,181,442	3,186,867,932

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31st December, 2011

	Six months ended	
	31st December, 2011 HK\$ (Unaudited)	31st December, 2010 HK\$ (Unaudited)
Net cash from operating activities	<u>72,343,957</u>	<u>52,558,220</u>
Net cash from (used in) investing activities		
Purchase of property, plant and equipment	(5,057,168)	(2,462,425)
Advances to associates	(1,148,220)	(738,138)
Repayments from associates	25,789,289	315,291
Other investing cash flows	<u>466,692</u>	<u>354,267</u>
	<u>20,050,593</u>	<u>(2,531,005)</u>
Net cash used in financing activities		
Repayments of bank loans and other borrowings	(81,012,111)	(48,405,239)
New bank loans and other borrowings raised	–	11,000,000
(Repayment to) advance from an associate	(5,771,462)	1,001,275
Other financing cash flows	<u>(2,897,121)</u>	<u>(3,966,685)</u>
	<u>(89,680,694)</u>	<u>(40,370,649)</u>
Net increase in cash and cash equivalents	2,713,856	9,656,566
Cash and cash equivalents at the beginning of the period	<u>27,001,555</u>	<u>36,653,452</u>
Cash and cash equivalents at the end of the period, represented by bank balances and cash	<u>29,715,411</u>	<u>46,310,018</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31st December, 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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values.

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 30th June, 2011 except for the application of the following new and revised Standards or Interpretations (“new and revised HKFRSs”) issued by the HKICPA and applied by the Group in the current period.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010 except for the amendments to HKFRS 3 (as revised in 2008), HKAS 1, HKAS 27 and HKAS 28
HKFRS 1 (Amendments)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets
HKAS 24 (Revised)	Related Party Disclosures
HK(IFRIC) – Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement

The application of these 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 31st December, 2011

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

The Group has not early adopted the following new and revised HKFRSs that have been issued but are not yet effective:

HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income ¹
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets ²
HKAS 19 (as revised in 2011)	Employee Benefits ³
HKAS 27 (as revised in 2011)	Separate Financial Statements ³
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ³
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities ⁴
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities ³
	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ⁵
HKFRS 9	Financial Instruments ⁵
HKFRS 10	Consolidated Financial Statements ³
HKFRS 11	Joint Arrangements ³
HKFRS 12	Disclosure of Interests in Other Entities ³
HKFRS 13	Fair Value Measurement ³
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine ³

¹ Effective for annual periods beginning on or after 1st July, 2012

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

³ Effective for annual periods beginning on or after 1st January, 2013

⁴ Effective for annual periods beginning on or after 1st January, 2014

⁵ Effective for annual periods beginning on or after 1st January, 2015

HKFRS 9 *Financial Instruments* (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 *Financial Instruments* (as revised in November 2010) adds requirements for financial liabilities and for derecognition. Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

HKFRS 9 is effective for annual periods beginning on or after 1st January, 2015, with earlier application permitted. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

The five new or revised standards on consolidation, joint arrangements and disclosures including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (Amendments) and HKAS 28 (Amendments) were issued by the HKICPA in June 2011 and are effective for annual periods beginning on or after 1st January, 2013. Earlier application is permitted provided that all of these five new or revised standards are applied early at the same time.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 31st December, 2011

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

HKFRS 10 *Consolidated Financial Statements* replaces the parts of HKAS 27 *Consolidated and separate financial statements* that deal with consolidated financial statements. HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 13 *Fair Value Measurement* requires extensive disclosure requirements relating to assets and liabilities that are measured at fair value or are measured at cost/amortised cost where disclosures of fair value are required in accordance with the applicable standards.

The Directors anticipate that HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (Amendments) and HKAS 28 (Amendments) will be adopted in the Group's consolidated financial statements for the annual period beginning 1st July, 2013. The application of these five standards may have significant impact on amounts reported in the consolidated financial statements. However, the Directors have not yet performed a detailed analysis of the impact of the application of these five standards and hence have not yet quantified the extent of the impact.

The Directors of the Company anticipate that the application of other new and revised HKFRSs will have no material impact on the consolidated financial statements of the Group.

3. REVENUE

Revenue represents the aggregate of income from hotel operation, club operation and hotel management and investment holding, and is analysed as follows:

	Six months ended	
	31st December, 2011 HK\$	31st December, 2010 HK\$
Revenue analysed by revenue from:		
Hotel operation	163,317,337	128,357,007
Club operation and hotel management	10,438,234	9,607,845
Dividend income from available-for-sale financial assets	2,186,983	2,167,487
	<hr/>	<hr/>
	175,942,554	140,132,339
	<hr/>	<hr/>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 31st December, 2011

4. SEGMENT INFORMATION

The Group's operating segments under HKFRS 8 are as follows:

1. Hotel operation – City Garden Hotel
2. Investment holding – holding strategic available-for-sale investments
3. Hotel operation – operated through investments in associates of the Group, including Conrad Hong Kong and Royal Pacific Hotel & Towers
4. Others – club operation and hotel management

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

	Segment revenue		Segment results	
	Six months ended		Six months ended	
	31st December, 2011 HK\$	31st December, 2010 HK\$	31st December, 2011 HK\$	31st December, 2010 HK\$
Hotel operation				
– City Garden Hotel	163,317,337	128,357,007	82,652,355	56,905,771
Investment holding	2,186,983	2,167,487	2,186,983	2,167,447
Hotel operation				
– Share of results of associates	–	–	145,158,806	125,328,894
Others – club operation and hotel management	10,438,234	9,607,845	1,397,798	1,736,830
	<u>175,942,554</u>	<u>140,132,339</u>		
Total of segment results			231,395,942	186,138,942
Administrative and other operating expenses			(24,780,767)	(26,699,869)
Finance costs net of finance income			(1,130,233)	(2,804,210)
Share of results of associates				
– administrative and other operating expenses			(49,922,850)	(52,862,517)
– finance costs net of finance income			(376,206)	(208,690)
– income tax expense			(15,877,681)	(12,530,215)
			<u>(66,176,737)</u>	<u>(65,601,422)</u>
Profit before taxation			<u>139,308,205</u>	<u>91,033,441</u>

All of the segment revenue reported above are from external customers. There was no inter-segment revenue for the period (*six months ended 31st December, 2010: nil*).

Segment results represent the profit earned by each segment without allocation of certain administrative and other operating expenses and finance costs net of finance income. The profit earned by each segment also includes the share of results of associates without allocation of administrative and other operating expenses, finance costs net of finance income and income tax expense. This is the measure reported to the chief operating decision makers for the purposes of resources allocation and performance assessment. Information regarding segment results in prior period has been restated to conform with the change in the presentation of segment information for the current period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 31st December, 2011

4. SEGMENT INFORMATION (Continued)

Segment assets

The following is an analysis of the Group's assets by reportable and operating segments:

	31st December, 2011 HK\$	30th June, 2011 HK\$
Segment assets		
Hotel operation – City Garden Hotel	1,499,518,419	1,508,809,348
Investment holding	470,748,065	710,769,436
Hotel operation – interests in associates	1,128,983,774	1,481,691,205
Others – club operation and hotel management	5,337,470	4,455,715
	<hr/>	<hr/>
Total segment assets	3,104,587,728	3,705,725,704
Amounts due from associates	215,681,677	240,322,746
Other unallocated assets	29,787,818	27,003,603
	<hr/>	<hr/>
Consolidated assets	3,350,057,223	3,973,052,053
	<hr/>	<hr/>

For the purposes of assessing segment performance and allocating resources between segments, all assets are allocated to reportable segments other than the Group's corporate assets, amounts due from associates, and bank balances and cash.

Except for the fluctuation in the fair values of available-for-sale financial assets that is mainly attributable to volatile stock market during the period, there is no other material change to the Group's financial assets since the last annual reporting date.

5. FINANCE INCOME

	Six months ended	
	31st December, 2011 HK\$	31st December, 2010 HK\$
Interest income on:		
Advance to an associate	460,886	350,753
Bank deposits	6,755	4,623
	<hr/>	<hr/>
	467,641	355,376
	<hr/>	<hr/>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

For the six months ended 31st December, 2011

6. FINANCE COSTS

	Six months ended	
	31st December,	31st December,
	2011	2010
	<i>HK\$</i>	<i>HK\$</i>
Interest and other finance costs on:		
Bank loans wholly repayable within five years	1,088,863	2,150,958
Advance from an associate	466,547	1,001,275
Other unsecured loans	42,464	7,353
	<u>1,597,874</u>	<u>3,159,586</u>

7. PROFIT BEFORE TAXATION

	Six months ended	
	31st December,	31st December,
	2011	2010
	<i>HK\$</i>	<i>HK\$</i>
Profit before taxation has been arrived at after charging:		
Cost of hotel inventories recognised as an expense, included in cost of sales	12,292,165	10,237,739
Depreciation of property, plant and equipment, included in other operating expenses	19,940,932	20,431,868
	<u>19,940,932</u>	<u>20,431,868</u>

8. INCOME TAX EXPENSE

	Six months ended	
	31st December,	31st December,
	2011	2010
	<i>HK\$</i>	<i>HK\$</i>
Income tax expense comprises:		
Hong Kong Profits Tax calculated at 16.5% (2010: 16.5%) on the estimated assessable profit		
Current period	11,525,728	7,119,947
Deferred taxation	336,221	101,898
	<u>11,861,949</u>	<u>7,221,845</u>

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 31st December, 2011

9. DIVIDEND

	Six months ended	
	31st December, 2011 HK\$	31st December, 2010 HK\$
Final dividend for the year ended 30th June, 2011: HK4.0 cents (2010: HK3.4 cents) per share	36,132,285	29,937,221

Subsequent to 31st December, 2011, the Directors determined that an interim dividend for the six months ended 31st December, 2011 of HK4.0 cents (six months ended 31st December, 2010: HK3.0 cents) per share would be paid to the shareholders of the Company whose names appear in the Register of Members on 19th March, 2012.

10. EARNINGS PER SHARE – BASIC

The calculation of the basic earnings per share is based on the profit for the period of HK\$127,446,256 (six months ended 31st December, 2010: HK\$83,811,596) and on the weighted average number of 905,124,940 (six months ended 31st December, 2010: 882,641,162) shares in issue during the period.

Diluted earnings per share for the periods are not shown as there were no potential ordinary share outstanding during both of the periods presented.

11. ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31st December, 2011, the Group spent approximately HK\$5,057,000 (six months ended 31st December, 2010: HK\$2,462,000) on property, plant and equipment.

12. INTERESTS IN ASSOCIATES

	31st December, 2011 HK\$	30th June, 2011 HK\$
Cost of unlisted investments in associates	1,062,961,934	1,062,961,934
Deemed capital contribution to an associate	603,000	603,000
Share of post-acquisition profits, net of dividends received	65,418,840	418,126,271
	1,128,983,774	1,481,691,205

Included in the cost of investments in associates is goodwill of HK\$186,513,404 (30th June, 2011: HK\$186,513,404) arising on acquisitions of associates in prior years.

During the period, dividends declared by an associate of HK\$431,689,500 (six months ended 31st December, 2010: nil) were settled by offsetting against the amount due to that associate.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 31st December, 2011

13. TRADE AND OTHER RECEIVABLES

The Group maintains a defined credit policy. An aged analysis of trade receivables based on the invoice dates at the end of the reporting period is as follows:

	31st December, 2011 HK\$	30th June, 2011 HK\$
Trade receivables		
0 – 30 days	10,260,226	4,901,605
31 – 60 days	672,546	659,398
61 – 90 days	50,274	143,387
	<hr/>	<hr/>
	10,983,046	5,704,390
Other receivables	3,408,783	2,316,647
	<hr/>	<hr/>
	14,391,829	8,021,037
	<hr/>	<hr/>

14. TRADE AND OTHER PAYABLES

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

	31st December, 2011 HK\$	30th June, 2011 HK\$
Trade payables		
0 – 30 days	9,527,070	11,077,509
31 – 60 days	107,765	433,418
61 – 90 days	23,993	370,435
> 90 days	50,994	710,979
	<hr/>	<hr/>
	9,709,822	12,592,341
Renovation cost payable	227,070	270,414
Other payables (<i>Note</i>)	23,093,684	12,575,086
	<hr/>	<hr/>
	33,030,576	25,437,841
	<hr/>	<hr/>

Note: Other payables mainly comprise the provision for staff bonus and accruals for certain operating expenses.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 31st December, 2011

15. PLEDGE OF ASSETS

- (a) The Group has pledged its leasehold land and hotel buildings having the aggregate carrying amount of HK\$1,436,329,734 (30th June, 2011: HK\$1,449,987,386) and pledged by way of floating charges over other assets, including bank balances of HK\$23,361,627 (30th June, 2011: HK\$23,598,876), hotel inventories of HK\$750,596 (30th June, 2011: HK\$722,641), furniture, fixtures and hotel operating equipment of HK\$48,889,347 (30th June, 2011: HK\$49,931,260) and trade and other receivables of HK\$11,988,115 (30th June, 2011: HK\$6,608,383) to banks to secure loan facilities granted to the Group.
- (b) Share ownerships in certain subsidiaries of the Company with the aggregate carrying values of net assets of HK\$1,464,293,646 (30th June, 2011: HK\$1,481,851,989) which included the assets pledged as set out in (a) above, have been pledged to banks to secure the loan facilities granted to the Group.
- (c) The Group has pledged its time deposit of HK\$1,560,627 (30th June, 2011: HK\$1,559,678) to secure a letter of guarantee issuance facility.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 15th March, 2012 to Monday, 19th March, 2012, both dates inclusive, during which period no transfer of shares will be effected. The record date for the interim dividend is at the close of business on Monday, 19th March, 2012.

In order to qualify for the interim dividend, shareholders should ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's Principal Registrars, Tricor Friendly Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 14th March, 2012.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the interim period.

DIRECTORS' INTERESTS

As at 31st December, 2011, the interests and short positions held by the Directors in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company under Section 352 of the SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), were as follows:

(a) Long Positions in Shares of the Company

Name of Directors	Number of Ordinary Shares	Capacity and Nature of Interest	% of Issued Share Capital
Mr. Robert Ng Chee Siong	434,404,750 (Note)	Beneficial owner of 251,249 shares, spouse interest in 745,554 shares and trustee interest in 433,407,947 shares of the Company in the capacity as one of the co-executors of the estate of the late Mr. Ng Teng Fong	47.32%
The Honourable Ronald Joseph Arculli, GBM, CVO, GBS, OBE, JP	282,167	Beneficial owner	0.03%
Mr. Gilbert Lui Wing Kwong	—	—	—
Mr. Peter Wong Man Kong, BBS, JP	—	—	—
Mr. Adrian David Li Man-kiu, JP	—	—	—
Mr. Steven Ong Kay Eng	—	—	—
Mr. Wong Cho Bau, JP	—	—	—
Mr. Thomas Tang Wing Yung	—	—	—
Mr. Daryl Ng Win Kong	—	—	—
Mr. Nicholas Yim Kwok Ming	—	—	—

DIRECTORS' INTERESTS (Continued)

(a) Long Positions in Shares of the Company (Continued)

Note:

As regards trustee interest in 433,407,947 shares:

- (a) 393,841,312 shares were held through companies which were 100% controlled by the executors of the estate of the late Mr. Ng Teng Fong – 38,200,684 shares by Fanlight Investment Limited, 54,324 shares by Garford Nominees Limited, 16,342,907 shares by Karaganda Investments Inc., 51,421,555 shares by Nippomo Limited, 1,473,440 shares by Orient Creation Limited, 103,939,304 shares by Strathallan Investment Limited, 4,469,898 shares by Strong Investments Limited, 154,347,183 shares by Tamworth Investment Limited and 23,592,017 shares by Transpire Investment Limited;
- (b) 1,769,177 shares were held through wholly-owned subsidiaries of Tsim Sha Tsui Properties Limited, in which the executors of the estate of the late Mr. Ng Teng Fong had a 71.95% control; and
- (c) 37,797,458 shares were held by the executors of the estate of the late Mr. Ng Teng Fong.

(b) Long Positions in Shares of Associated Corporation

Mr. Robert Ng Chee Siong was deemed to be interested in shares of the following company through corporation controlled by him:

Name of Associated Company	Number of Ordinary Shares	% of Issued Share Capital
FHR International Limited	1 (Note)	33.33%

Note: The share was held by Smart Link Limited in which Mr. Robert Ng Chee Siong had a 100% control.

Save as disclosed above, as at 31st December, 2011, none of the Directors had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations which were recorded in the register required to be kept by the Company under Section 352 of the SFO or required to be notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER SHAREHOLDERS' INTERESTS

As at 31st December, 2011, the interests and short positions of the substantial shareholders and other shareholders in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of Part XV of the SFO were as follows:

Long Positions in Shares of the Company

Name of Substantial Shareholders	Number of Ordinary Shares	Capacity and Nature of Interest	% of Issued Share Capital
Mr. Philip Ng Chee Tat	436,134,101 <i>(Notes 1, 2, 3 and 4)</i>	Interest of controlled corporations in 2,726,154 shares and trustee interest in 433,407,947 shares of the Company in the capacity as one of the co-executors of the estate of the late Mr. Ng Teng Fong	47.51%
Mr. Robert Ng Chee Siong	434,404,750 <i>(Notes 2, 3 and 4)</i>	Beneficial owner of 251,249 shares, spouse interest in 745,554 shares and trustee interest in 433,407,947 shares of the Company in the capacity as one of the co-executors of the estate of the late Mr. Ng Teng Fong	47.32%
Tamworth Investment Limited	154,347,183 <i>(Note 3)</i>	Beneficial owner	16.81%
Strathallan Investment Limited	103,939,304 <i>(Note 3)</i>	Beneficial owner	11.32%
Name of Other Shareholder	Number of Ordinary Shares	Capacity and Nature of Interest	% of Issued Share Capital
Nippomo Limited	51,421,555 <i>(Note 3)</i>	Beneficial owner	5.60%

SUBSTANTIAL SHAREHOLDERS' AND OTHER SHAREHOLDERS' INTERESTS (Continued)

Long Positions in Shares of the Company (Continued)

Notes:

1. 2,726,154 shares were held by Bestdeal Contractors Pte Ltd which was 100% controlled by Mr. Philip Ng Chee Tat.
2. As regards trustee interest in 433,407,947 shares:
 - (a) 393,841,312 shares were held through companies which were 100% controlled by the executors of the estate of the late Mr. Ng Teng Fong – 38,200,684 shares by Fanlight Investment Limited, 54,324 shares by Garford Nominees Limited, 16,342,907 shares by Karaganda Investments Inc., 51,421,555 shares by Nippomo Limited, 1,473,440 shares by Orient Creation Limited, 103,939,304 shares by Strathallan Investment Limited, 4,469,898 shares by Strong Investments Limited, 154,347,183 shares by Tamworth Investment Limited and 23,592,017 shares by Transpire Investment Limited;
 - (b) 1,769,177 shares were held through wholly-owned subsidiaries of Tsim Sha Tsui Properties Limited, in which the executors of the estate of the late Mr. Ng Teng Fong had a 71.95% control; and
 - (c) 37,797,458 shares were held by the executors of the estate of the late Mr. Ng Teng Fong.
3. The interests of Tamworth Investment Limited, Strathallan Investment Limited and Nippomo Limited were duplicated in the interests of the executors of the estate of the late Mr. Ng Teng Fong.
4. The interests of Mr. Philip Ng Chee Tat and Mr. Robert Ng Chee Siong as the co-executors of the estate of the late Mr. Ng Teng Fong were duplicated.

Save as disclosed above and so far as the Directors of the Company are aware, as at 31st December, 2011, no other person had an interest or short position in the shares and underlying shares of the Company which were recorded in the register required to be kept under Section 336 of the SFO, or was otherwise a substantial shareholder of the Company.

DISCLOSURE OF DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Directors' Updated Biographical Details

The changes in the biographical details of the Directors since the publication of the 2011 annual report in September 2011 are set out below:

The Honourable Ronald Joseph Arculli

- appointed as convenor of the non-official members of the Executive Council of The Hong Kong Special Administrative Region Government.

DISCLOSURE OF DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES *(Continued)*

Directors' Updated Biographical Details *(Continued)*

Mr. Adrian David Li Man-kiu

- ceased to be a Council Member of the Vocational Training Council; and
- appointed as a member of the Election Committee responsible for electing the Chief Executive of the Hong Kong Special Administrative Region.

Mr. Steven Ong Kay Eng

- appointed as an Independent Non-Executive Director of Sino Land Company Limited with effect from 28th October, 2011.

Directors' updated biographies are available on the Company's website.

Directors' Emoluments

During the interim period, the Executive Director Mr. Nicholas Yim Kwok Ming received a discretionary bonus in the amount of HK\$633,938.

The basis of determining the Directors' emoluments (including bonus payments) remain unchanged during the six months ended 31st December, 2011.

Save as disclosed above, as at 31st December, 2011, there had not been any other changes to the Directors' information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

COMPLIANCE COMMITTEE

The Company set up its Compliance Committee on 30th August, 2004 with written terms of reference to enhance the corporate governance of the Group. The Committee has dual reporting lines. A principal reporting line is to the Board through the Committee Chairman. A secondary reporting line is to the Audit Committee. The existing Committee comprises the Executive Director Mr. Daryl Ng Win Kong (Committee Chairman), the other Executive Directors, the two respective Heads of Legal and Company Secretarial Departments, Group General Manager (Hotel), the Chief Financial Officer, Head of Internal Audit Department, department heads and the Compliance Officer. The Committee holds bi-monthly regular meetings to review and make recommendations to the Board and the Audit Committee on the Group's corporate governance issues and Listing Rules compliance matters.

AUDIT COMMITTEE

The Company set up its Audit Committee on 23rd September, 1998 with written terms of reference. The Committee reports to the Board and has held regular meetings since its establishment to review and make recommendations to improve the Group's financial reporting process and to ensure that management has discharged its duty to have effective financial controls, internal controls and risk management systems. The Committee comprises Mr. Adrian David Li Man-kiu, JP (Committee Chairman), Mr. Peter Wong Man Kong, BBS, JP and Mr. Steven Ong Kay Eng, all of whom are Independent Non-Executive Directors, and Mr. Gilbert Lui Wing Kwong, a Non-Executive Director.

In the first quarter of 2012, the Audit Committee has reviewed the accounting policies and practices adopted by the Group and the interim report for the six months ended 31st December, 2011.

REMUNERATION COMMITTEE

The Company established its Remuneration Committee on 23rd June, 2005 with written terms of reference. The Committee comprises three members with the Independent Non-Executive Directors constituting the majority of the Committee. The Chairman of the Committee is the Executive Director, Mr. Daryl Ng Win Kong and two other members are the Independent Non-Executive Directors, namely Mr. Peter Wong Man Kong, BBS, JP and Mr. Adrian David Li Man-kiu, JP.

The Remuneration Committee is responsible for, inter alia, making recommendations to the Board on the Company's emolument policy and structure for Directors and senior management and on the establishment of a formal and transparent procedure for developing such policy and structure. In arriving at its recommendations, the Committee will consult with the Chairman and take into consideration factors including but not limited to salaries paid by comparable companies, employment conditions elsewhere in the Company and its subsidiaries and desirability of performance-based remuneration. The Committee would meet at least annually to make recommendations to the Board on the Group's emolument policy including the remuneration of Directors and senior management.

CODES FOR DEALING IN THE COMPANY'S SECURITIES

The Company has adopted its code for dealing in the Company's securities by Directors (the "Company Code") on terms no less exacting than the required standard set out in the Model Code of the Listing Rules. The Company has made specific enquiries of all Directors who confirmed compliance with the required standard set out in the Company Code during the six months ended 31st December, 2011.

The Company has also adopted a code for dealing in the Company's securities by relevant employees, who are likely to be in possession of unpublished price-sensitive information in relation to the securities of the Company, on no less exacting terms than the Model Code.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

During the six months ended 31st December, 2011, the Company has complied with all the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules for the relevant period, except that there was no separation of the roles of the chairman and the chief executive officer, both of the roles are currently undertaken by the Chairman of the Board.

The Board is of the view that the current management structure has been effective in facilitating the Company's operation and business development and that necessary checks and balances consistent with sound corporate governance practices are in place. The implementation of strategies and policies of the Board and the operations of each business unit are overseen and monitored by designated responsible Executive Directors. The Board found that the current arrangement had worked effectively in enabling it to discharge its responsibilities satisfactorily. In addition, the four Independent Non-Executive Directors have contributed valuable views and proposals for the Board's deliberation and decisions. The Board will review the management structure regularly to ensure it continues to meet these objectives and is in line with the industry practices.

By Order of the Board
Velencia LEE
Secretary

Hong Kong, 28th February, 2012

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

Deloitte.
德勤

TO THE BOARD OF DIRECTORS OF SINO HOTELS (HOLDINGS) LIMITED

Introduction

We have reviewed the interim financial information set out on pages 7 to 20, which comprises the condensed consolidated statement of financial position of Sino Hotels (Holdings) Limited (the “Company”) and its subsidiaries as of 31st December, 2011 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
28th February, 2012

