

Interim Report **2012** 中期報告
Stock Code 股份代號 : 0337



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Corporate Information

公司資料

DIRECTORS

Executive Directors

Mr. Wang Weixian (*Chairman*)

Ms. Wang Xuling

(*Group Managing Director and Chief Executive Officer*)

Mr. Chu Hau Lim

(*Chief Financial Officer*)

Independent Non-Executive Directors*

Mr. Cheong Ying Chew, Henry

Mr. Fong Wo, Felix, JP

Mr. Jiang Simon X.

Mr. Kwan Kai Cheong

* *Members of the Audit Committee*

COMPANY SECRETARY

Ms. Lee Mei Yi, ACS, ACIS

AUTHORISED REPRESENTATIVES

Mr. Wang Weixian

Ms. Wang Xuling

REGISTERED OFFICE

Cricket Square,
Hutchins Drive,
P.O. Box 2681,
Grand Cayman, KY1-1111,
Cayman Islands

董事

執行董事

王偉賢先生(*主席*)

王煦菱女士

(*集團董事總經理兼行政總裁*)

朱孝廉先生

(*首席財務官*)

獨立非執行董事*

張英潮先生

方和先生*太平紳士*

蔣小明先生

關啟昌先生

* *審核委員會成員*

公司秘書

李美儀女士 · ACS, ACIS

授權代表

王偉賢先生

王煦菱女士

註冊辦事處

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Corporate Information (Continued)

公司資料(續)

PRC HEADQUARTERS

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香港辦事處

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WEBSITE

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網址

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AUDITORS

KPMG

核數師

畢馬威會計師事務所

LEGAL ADVISERS

As to Hong Kong law: Minter Ellison
As to PRC law: City Development Law Firm

法律顧問

香港法律顧問：銘德律師事務所
中國法律顧問：建緯律師事務所

PRINCIPAL BANKERS

Bank of China
Industrial and Commercial Bank of China
China Construction Bank
Agricultural Bank of China
DBS Bank

主要往來銀行

中國銀行
中國工商銀行
中國建設銀行
中國農業銀行
新加坡星展銀行

SHARE REGISTRAR

Tricor Investor Services Limited
26/F, Tesbury Centre,
28 Queen's Road East,
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股份過戶登記處

卓佳證券登記有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓

Financial Highlights

財務摘要

RESULTS HIGHLIGHTS 業績摘要

For the six months ended 30 June 2012 截至二零一二年六月三十日止六個月

| | | For the six months ended 30 June 截至六月三十日止六個月 | | |
|---------------------------------|---------------------|---|--|--------------|
| | | 2012 二零一二年 RMB Million 人民幣百萬元 | 2011 二零一一年 RMB Million 人民幣百萬元 | Change 轉變 |
| Revenue | 收益 | 868 | 1,364 | -36% |
| Gross Profit | 毛利 | 99 | 383 | -74% |
| Net (Loss)/Profit | 淨(虧損)/純利 | (497) | 101 | -592% |
| Attributable to: | 以下人士應佔： | | | |
| — Equity Holders of the Company | — 本公司股權持有人 | (496) | 105 | -572% |
| — Minority Interests | — 少數股東權益 | (1) | (4) | +75% |
| (Loss)/Earnings Per Share (RMB) | 每股(虧損)/盈利 (人民幣元) | | | |
| — Basic | — 基本 | (0.484) | 0.1 | -584% |
| — Diluted | — 攤薄 | (0.484) | 0.1 | -584% |

1H 2012 Revenue Analysis 二零一二年上半年收益分析

| | | For the six months ended 30 June 截至六月三十日止六個月 | | |
|---|-------------------|---|-----------------------------------|--------------|
| | | 2012 二零一二年 RMB'000 人民幣千元 | 2011 二零一一年 RMB'000 人民幣千元 | Change 轉變 |
| Sales of properties | 物業銷售 | 706,422 | 1,263,253 | -44% |
| Lease of properties | 物業租賃 | 24,154 | 17,727 | +36% |
| Property management income & other related service | 物業管理收入及 其他相關服務 | 33,159 | 25,669 | +29% |
| Hotel | 酒店 | 65,923 | 20,212 | +226% |
| Education | 教育 | 36,842 | 36,875 | +0% |
| Golf | 高爾夫球 | 1,307 | 0 | N/A |
| Total | 總計 | 867,807 | 1,363,736 | -36% |

Financial Highlights (Continued)

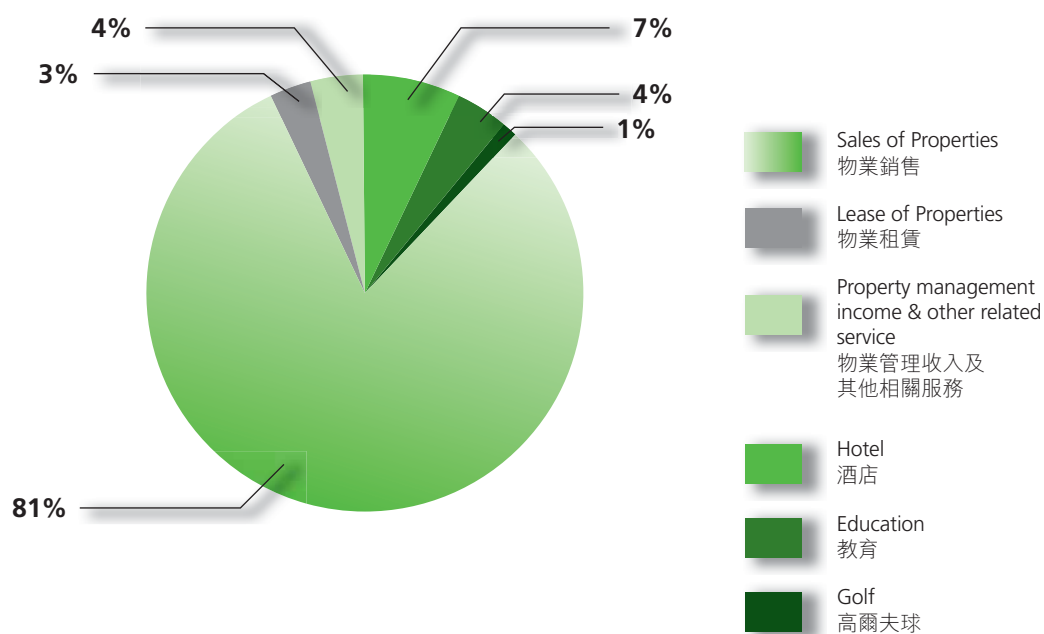
財務摘要(續)

As at the period/year end 於該期/年末

| | | 30 June 2012 二零一二年 六月三十日 RMB Million 人民幣百萬元 | 31 December 2011 二零一一年 十二月三十一日 RMB Million 人民幣百萬元 | Change 轉變 |
|-------------------|------|--|--|--------------|
| Total assets | 資產總額 | 23,096 | 23,838 | -3% |
| Total liabilities | 負債總額 | 18,299 | 18,532 | -1% |
| Total Equity | 權益總額 | 4,797 | 5,306 | -10% |

1H 2012 Revenue Analysis

二零一二年上半年收益分析



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

Results

During the six months ended 30 June 2012, the Group recorded a total revenue of approximately RMB868 million, a decline of approximately 36% from the same period last year. The decline was attributable to the lower gross floor area (GFA) sold and delivered during the period. Net loss of the Company was approximately RMB497 million, compared to a net profit of RMB101,421,000 during the same period last year. Basic and diluted loss per share attributable to equity holders of the Company amounted to RMB0.48 per share, compared to a net profit of RMB0.1 per share during the same period last year.

Despite the challenging macroeconomic environment, the Group continued to follow closely the planned pace of development of its real estate projects, which is expected to result in an increase in the GFA to be delivered during the second half of this year. In addition, the Group will continue to adopt flexible marketing strategies according to specific locations, local market conditions and characteristics of different projects. With a continuous focus on organizational optimization, the Group will seek further enhancements to internal controls and cost efficiency. Through these efforts, the Group will continue to offer superior products and services, thereby further harnessing its position as a premier property developer in the Yangtze River Delta Region. At the same time, the Group will strive to enhance profitability and financial strength by seeking various forms of partnerships to co-develop its projects and further diversify its refinancing channels.

Property Development

During the first half of 2012, the total GFA sold and delivered amounted to 61,830 square meters, a 27% decline from the 85,133 square meters sold and delivered during the same period last year. The average selling price declined from RMB14,839 per square meter in the first half of 2011 to RMB11,425 per square meter in the first half this year. Revenue derived from property sales was RMB706,422,000, a decline of 44% from RMB1,263,253,000 for the first half of 2011. The key projects that was completed and delivered in the first half of 2012 mainly included: Wuxi Xishuidong, Kunming Metropolitan and Haikou Florea.

業務回顧

業績

截至二零一二年六月三十日止六個月，本集團錄得總收益約人民幣868,000,000元，較去年同期減少約36%，原因是期內已售出及交付項目的總建築面積減少。本公司淨虧損約為人民幣497,000,000元，去年同期則為純利人民幣101,421,000元。本公司股權持有人應佔每股基本及攤薄虧損為每股人民幣0.48元，去年同期則為每股純利人民幣0.1元。

儘管宏觀經濟環境挑戰重重，但本集團仍然密切跟進房地產項目的計劃開發進度，預期下半年將可增加將予交付的總建築面積。此外，本集團將繼續因應不同項目的特定地點、地方市場狀況及特點，採取靈活的營銷策略。本集團將持續以優化組織為重心，以尋求進一步提升內部控制及成本效益。本集團將憑藉上述舉措繼續提供優良的產品和服務，從而進一步鞏固其作為長三角地區頂尖房地產開發商的地位。與此同時，本集團將致力尋求不同的合夥形式以共同開發項目及進一步分散重新融資渠道，藉以加強盈利能力及財力。

物業發展

二零一二年上半年，已售出及交付項目的總建築面積達61,830平方米，較去年同期已售出及交付的85,133平方米減少27%。平均售價由二零一一年上半年每平方米人民幣14,839元下降至今年上半年每平方米人民幣11,425元。物業銷售收益約為人民幣706,422,000元，較二零一一年上半年的人民幣1,263,253,000元減少44%。於二零一二年上半年竣工及交付的核心項目主要包括：無錫西水東、昆明盛高大城及海口榮域。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

BUSINESS REVIEW (CONTINUED)

Property Development (Continued)

業務回顧(續)

物業發展(續)

| Item | Approximate area sold and delivered in 1H2012 | Approximate sales recognized in 1H2012 | Average selling price |
|--|---|--|-----------------------------|
| 項目 | 已於二零一二年上半年售出及交付概約面積 sqm 平方米 | 已於二零一二年上半年確認的概約銷售額 RMB'000 人民幣千元 | 平均售價 RMB/sqm 人民幣元/平方米 |
| Cambridge Forest Newtown-Parking Lot 康橋半島－停車位 | 161 | 700 | 4,348 |
| Cambridge Waters (Tiffany) -Phase II D － apartments & Villa 康橋水都(香逸灣)－第II D期－公寓及別墅 | 1,242 | 30,492 | 24,551 |
| Cambridge Waters (Tiffany) -Parking Lot 康橋水都(香逸灣)－停車位 | 3,293 | 7,418 | 2,253 |
| Haikou Florea-Phase I – apartments 海口榮域－第I期－公寓 | 3,040 | 49,951 | 16,431 |
| Haikou Florea-Phase I – shops 海口榮域－第I期－商舖 | 5,306 | 73,099 | 13,777 |
| Kunming Metropolitan – apartments 昆明盛高大城－公寓 | 6,492 | 62,208 | 9,582 |
| Kunming Metropolitan – shops 昆明盛高大城－商舖 | 6,700 | 80,672 | 12,041 |
| Kunming Metropolitan – parking lot 昆明盛高大城－停車位 | 17,369 | 85,939 | 4,948 |
| Changshu La Casa-Phase II – townhouse 常熟怡景灣－第II期－連排別墅 | 226 | 2,466 | 10,912 |
| Suzhou Global 188 – Apartments 蘇州環球188－公寓 | 526 | 12,156 | 23,110 |
| Wuxi Xishuidong – apartment 無錫西水東－公寓 | 16,487 | 281,980 | 17,103 |
| Wuxi Xishuidong – commercial 無錫西水東－商業 | 988 | 19,341 | 19,576 |
| Total 總計 | 61,830 | 706,422 | 11,425 |

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

BUSINESS REVIEW (CONTINUED)

Property Development (Continued)

During the period under review, the Group's contracted sales reached RMB1,541 million, compared to RMB1,669 million during the same period last year. Aggregate contracted GFA reached 142,683 square meters, compared to 91,430 square meters during the same period last year. The average contracted selling price was RMB10,802 per square meter. Even though the first half of 2012 was viewed as one of most challenging periods for property developers in China, the Group managed to maintain the average contracted selling price to be above RMB10,000, which was higher than the average market price in the cities where the Group's projects are located.

During the period under review, projects in second tier cities continued to be the main contributors of contracted sales. The key projects that contributed significant portions of contracted sales include Xishuidong (23%) and Jinguilu (18%) in Wuxi, Emerald Bay (16%) in Changshu, Florea (12%) in Haikou, The Metropolitan in Kunming (12%) and Cambridge Waters (Tiffany) (10%) in Shanghai.

A number of new projects, including The Metropolitan Phase V in Kunming and Haichangliu in Haikou, are scheduled to be rolled out for pre-sales in second half of 2012. These projects are located at cities which have the highest levels of personal disposable income and strong demand for upgrades in living conditions. The diversified geographical locations of these projects also underline the Group's strategy of making presence nationwide.

The Group's quality products continued to be highly appreciated by the market and its flexible marketing and sales strategy paid off during the period. Xishuidong in Wuxi, for instance, has been selling well since the gradual warming up of the market earlier in the year. In June, the project recorded contracted sales of over RMB100 million, a new high in the luxury residential market in Wuxi.

Land Bank

The Group's current land bank is sufficient to support its development pipeline for the future five years, and it is continuously looking for high quality lands with great potentials. As at 30 June 2012, the Group held a land bank of approximately 5.8 million square metres or 5.0 million square metres on an attributable basis, with prime sites strategically located in key cities in the Yangtze River Delta and provincial capital cities with regional economic importance.

業務回顧(續)

物業發展(續)

於回顧期內，本集團的合約銷售額達人民幣1,541,000,000元，去年同期則為人民幣1,669,000,000元。合約建築面積總額達142,683平方米，去年同期則為91,430平方米。平均合約銷售價為每平方米人民幣10,802元。即使二零一二年上半年被視為中國房地產開發商最具挑戰的時期之一，但本集團仍能把平均合約銷售價維持於人民幣10,000元以上水平，高於本集團項目所在城市的平均市價。

於回顧期內，二線城市項目繼續佔合約銷售額的主要部分。貢獻大部分合約銷售額的核心項目包括無錫的西水東(23%)和金匱里(18%)、常熟翡翠灣(16%)、海口榮域(12%)、昆明盛高大城(12%)及上海康橋水都(香逸灣)(10%)。

昆明盛高大城第V期及海口盛高•海長流等多個新項目預計於二零一二年下半年推出預售。這些項目所在城市的個人可支配收入水平最高，對提升生活水平的需求亦殷切。這些項目的地理位置多元化，亦突出了本集團銳意把業務遍佈全國的策略。

期內，本集團的優質產品繼續大受市場好評，而靈活的營銷及銷售策略亦取得成功。舉例，自年初市場逐步回暖起，無錫西水東的銷情一直不俗。六月，該項目錄得合約銷售額逾人民幣100,000,000元，創下無錫豪宅市場新高。

土地儲備

本集團的現有土地儲備足夠支持未來五年的發展路線，而本集團亦正不斷物色具龐大發展潛力的優質土地。於二零一二年六月三十日，本集團持有土地儲備約5,800,000平方米或5,000,000平方米(按應佔基準計算)，策略性地分佈於長江三角洲的主要城市及具地區經濟重要性的省會城市的黃金地段。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

BUSINESS REVIEW (CONTINUED)

Hotel Development

The Group's hotel portfolio continued to perform within expectations during the first half of 2012, with revenue increased to approximately RMB66 million. The award-winning Peninsula Shanghai and the strategically located Holiday Inn Kangqiao Shanghai continued to achieve steady performance despite intensive competition in the hotel market in the city.

Fraser Suite Suzhou, occupying one of the two towers in Global 188, has been well received by the market since its official opening in May 2011. The hotel creates significant synergies with the office, leisure and commercial spaces within the Global 188 complex. Chedi Hotel, located on the top of the tower, is under construction. Upon completion, it will be a signature premium hotel in Suzhou. Together with Fraser Suites, the Roof Apartment, offices and shopping mall, Global 188 will enjoy great synergy of housing facilities for dining, shopping, living and working all under the same roof.

Investment Properties and Ancillary Services

The Group's investment properties hold a total GFA of approximately 144,000 square meters. As at 30 June 2012, 115,608 square meters of the total GFA had been leased, generating approximately RMB24 million in rental revenue, accounting for approximately 3% of the total revenue for the Group during the period.

The Group continued to develop its education business by operating one of the most prestigious kindergartens in Shanghai, the China Welfare Institute Kindergarten; a post-secondary college, Shanghai Sipo Polytechnic; and a training centre, Shanghai Sipo Vocational technical Training Centre. Revenue from the Group's education business contributed approximately 4% of the Group's total revenue during the period under review.

Property Management and Related Services

During the six months ended 30 June 2012, revenue from the Group's property management and related services amounted to approximately RMB33 million, an increase of approximately 29% from the same period last year. The Group provided property management services to properties with a total GFA of 2,530,000 square meters, an increase of 13% from the same period last year.

業務回顧(續)

酒店發展

二零一二年上半年，本集團酒店組合的業績表現繼續符合期望，收益增加至約人民幣66,000,000元。儘管上海酒店市場競爭激烈，屢獲殊榮的上海半島酒店和佔據戰略位置的上海盛高假日酒店仍然繼續表現平穩。

蘇州輝盛閣國際公寓座落於環球188兩座大樓之一，自二零一一年五月正式開幕以來一直深受市場歡迎，與環球188綜合體內的辦公室、休閒及商業空間共同發揮顯著的協同效應。位於大樓頂樓的祺禮酒店正在興建中，落成後將會成為蘇州的地標優質酒店。連同蘇州輝盛閣國際公寓、空中公館、辦公室及購物中心，餐飲、購物、生活及工作全在同一屋簷之下，環球188的房屋設施將享有龐大的協同效應。

投資物業及配套服務

本集團的投資物業持有總建築面積約144,000平方米。於二零一二年六月三十日，本集團已租出的總建築面積為115,608平方米，租金收益約為人民幣24,000,000元，佔期內本集團總收益約3%。

本集團持續發展教育業務，經營上海最廣為人知之一的幼稚園(中福會康橋幼兒園)、一所高等院校(上海思博職業技術學院)及一所培訓中心(上海思博職業技術培訓中心)。於回顧期內，本集團的教育業務收益佔本集團的總收益約4%。

物業管理及相關服務

截至二零一二年六月三十日止六個月，本集團的物業管理及相關服務收益約為人民幣33,000,000元，較去年同期增加約29%。本集團提供物業管理服務涉及的物業總建築面積為2,530,000平方米，較去年同期增加13%。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

BUSINESS REVIEW (CONTINUED)

Project Disposal

On 30 June 2012, the Group entered into an agreement with Evergrande Real Estate Group Shanghai Shengjian Property Company Limited to sell its interest of a company that holds a project located at the south of Taihu Dadao and the west of Yonyi Lu, Xishan District, Wuxi, the People's Republic of China with a total site area of approximately 263,300 square meters at a consideration of RMB965.7 million. The transaction is expected to complete in October 2012.

The disposal represents a good opportunity for the Group to enhance its financial position, improve its liquidity and reduce its future financial commitment. The transaction also provides additional capital resources for the Group to capture other investment opportunities in the real estate market.

Outlook

While the government's measures to curb property speculation are expected to continue throughout the remainder of 2012, the recent monetary easing by the People's Bank of China has resulted in a slight and gradual improvement in the business environment for property developers. End-user demand for quality residential property is also expected to remain strong amid the steady growth of the Chinese economy.

As a premier developer established in Shanghai for over 14 years, the Group has built up a strong brand in the Yangtze River Delta Region through its commitment to quality products and services. Leveraging such advantages, the Group will continue to adopt flexible and proactive sales strategies to capitalize on opportunities in each of its key markets.

In terms of development strategy, the Group will continue to focus on flourishing second tier cities, where the middle class is growing rapidly and is actively seeking upgrades to their living environment. As the mainland property market is undergoing continuous adjustments, the Group will pursue projects with shorter development cycles, which will provide greater flexibility for the Group to respond swiftly to changes in market environment. The Group will continue its prudent financial management to facilitate business development while at the same time keeping financial risks under control.

With the successful track record of its "2+X" strategy, the Group will continue to build its project portfolio that comprises large-scale high-end residential communities, city-centre integrated projects and travel & leisure projects. The diversified product and services offering under this model will ensure a healthy income stream for the Group under varying market environments, enabling sustainable business development for the years to come.

業務回顧(續)

項目出售

於二零一二年六月三十日，本集團與恒大地產集團上海盛建置業有限公司訂立協議，以出售一間持有中華人民共和國無錫市錫山區太湖大道以南、友誼路以西總地盤面積約263,300平方米的項目的公司的權益，代價為人民幣965,700,000元。該交易預期於二零一二年十月完成。

出售事項為本集團提供大好機會，以提升本集團的財務狀況、改善其流動資金及減少其未來財務承擔。該交易亦為本集團提供額外資本資源，以於房地產市場抓緊其他投資機會。

展望

儘管預期二零一二年下半年政府將會繼續採取措施打擊物業炒賣，但在中國人民銀行最近推出的貨幣寬鬆政策下，房地產開發商的營商環境已逐步輕微改善。在中國經濟穩步增長的情況下，預期優質住宅物業的最終用家需求亦會維持強勁。

本集團作為立足上海超過14年的頂尖開發商，透過致力提供優質產品和服務，已在長三角地區樹立起知名度高的品牌。本集團將憑藉這些優勢，繼續採取靈活積極的銷售策略，以抓緊各主要市場的機遇。

在發展策略方面，本集團將繼續以繁盛的二線城市為重心，這些城市的中產階級正迅速增長，並積極追求提升生活環境。由於內地物業市場正在不斷調整之中，因此本集團將會推出發展週期較短的項目，藉以為本集團提供更大彈性，迅速回應市場環境的變動。本集團將繼續奉行審慎理財，以促進業務發展，並同時維持財務風險於控制範圍內。

繼承「2+X」策略的成功往績，本集團將繼續打造網羅大型高端住宅社區、城市綜合體項目及旅遊及休閒項目的項目組合。此模式下的多元化產品及服務組合將可確保本集團在多變的市況中保持收入來源穩健，從而在未來年度達致業務持續發展。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

FINANCIAL PERFORMANCE

Revenue

The total revenue of the Group for 1H2012 decreased by approximately 36% over the corresponding period last year, from approximately RMB1,364 million to approximately RMB868 million.

Sales of property, the core business activity, generated revenue of approximately RMB706 million (1H2011: RMB1,263 million), accounting for approximately 81% of the total revenue, and representing a YoY decrease of 44%. Revenue from the lease business grew by approximately 36% to approximately RMB24.2 million (1H2011: RMB17.8 million). Income derived from property management and related services increased by approximately 29% to approximately RMB33 million (1H2011: RMB26 million). Revenue from education was approximately RMB37 million (1H2011: RMB37 million). Revenue from hotels operation in Holiday Inn and Fraser that completed their first full six months of operation reached approximately RMB66 million. And Golf income also contributed approximately RMB1.3 million to the total revenue.

財務表現

收益

本集團於二零一二年上半年的總收益比去年同期減少約36%，由約人民幣1,364,000,000元減至約人民幣868,000,000元。

物業銷售為核心業務活動，產生收益約人民幣706,000,000元(二零一一年上半年：人民幣1,263,000,000元)，佔總收益約81%，按年減少44%。租賃業務的收益增加約36%至約人民幣24,200,000元(二零一一年上半年：人民幣17,800,000元)。來自物業管理及相關服務的收入增加約29%至約人民幣33,000,000元(二零一一年上半年：人民幣26,000,000元)。教育收益約為人民幣37,000,000元(二零一一年上半年：人民幣37,000,000元)。上海康橋假日酒店及蘇州輝盛閣國際公寓已營運滿首六個月，酒店營運收益約達人民幣66,000,000元。高爾夫球收入亦為總收益貢獻約人民幣1,300,000元。

| | | For the six months ended 30 June | |
|--|---------------|----------------------------------|------------------|
| | | 截至六月三十日止六個月 | |
| | | 2012 | 2011 |
| | | 二零一二年 | 二零一一年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Sales of properties | 物業銷售 | 706,422 | 1,263,253 |
| Lease of properties | 物業租賃 | 24,154 | 17,727 |
| Property management income & other related service | 物業管理收入及其他相關服務 | 33,159 | 25,669 |
| Hotel | 酒店 | 65,923 | 20,212 |
| Education | 教育 | 36,842 | 36,875 |
| Golf | 高爾夫球 | 1,307 | 0 |
| Total | 總計 | 867,807 | 1,363,736 |

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

FINANCIAL PERFORMANCE (CONTINUED)

Cost of Sales

Cost of sales decreased by approximately 22% to approximately RMB769 million, as compared to RMB980 million in 1H2011. The cost of sales mainly comprised land costs, construction costs, capitalized finance costs and sales tax.

Gross Profit and Margin

Gross profit decreased to approximately RMB99 million from RMB383 million in 1H2011 while gross profit margin decreased from 28% to 11% due to different product mix as compared with the corresponding period last year.

Other Operating Income

Other operating income decreased from RMB2.6 million in 1H2011 to RMB2.3 million in 1H2012.

Other Operating Expense

Other operating expense increased from RMB8 million in 1H2011 to RMB176 million in 1H2012, which was mainly attributable to the impairment in some Wuxi projects.

Operating Expenses

Administrative expenses decreased to RMB135 million in 1H2012 from RMB173 million in 1H2011 because of the group's better budget control. Selling and marketing costs experienced a decrease of 26% as the Group controlled selling expenditure under the current economic circumstances.

Net Finance Expenses

The net finance expenses increased from RMB17 million in 1H2011 to RMB128 million in 1H2012. This increase was mainly because of the senior note borrowed in April 2011, and some trust loans borrowed in 2011.

Share of Loss of Associates and Joint Controlled Entity

The Group recorded a loss from share of operating results of associates in 1H2012 amounting to RMB41 million as compared to a loss of RMB42 million in 1H2011. The loss was mainly attributable to the interest expenses from banks loans and fixed assets depreciation of the Peninsula Shanghai Hotel.

財務表現(續)

銷售成本

銷售成本減少約22%至約人民幣769,000,000元，而二零一一年上半年則為人民幣980,000,000元。銷售成本主要包括土地成本、建築成本、資本化融資成本及銷售稅。

毛利及毛利率

毛利由二零一一年上半年的人民幣383,000,000元減至約人民幣99,000,000元，毛利率則由於產品組合與去年同期不同而由28%減少至11%。

其他經營收入

其他經營收入由二零一一年上半年的人民幣2,600,000元減至二零一二年上半年的人民幣2,300,000元。

其他經營開支

其他經營開支由二零一一年上半年的人民幣8,000,000元增至二零一二年上半年的人民幣176,000,000元，主要因為若干無錫項目出現減值。

經營開支

在本集團加強預算控制之下，行政費用由二零一一年上半年的人民幣173,000,000元減少至二零一二年上半年的人民幣135,000,000元。由於本集團於當前經濟環境下控制銷售支出，故銷售及市場推廣成本亦減少了26%。

融資成本淨額

融資成本淨額由二零一一年上半年的人民幣17,000,000元增加至二零一二年上半年的人民幣128,000,000元，主要乃二零一一年四月借入的優先票據及二零一一年借入的若干信託貸款所致。

應佔聯營公司及共同控制實體虧損

本集團於二零一二年上半年錄得應佔聯營公司經營業績虧損人民幣41,000,000元，而二零一一年上半年則為虧損人民幣42,000,000元。錄得虧損主要乃上海半島酒店的銀行貸款利息開支及固定資產折舊所致。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

FINANCIAL PERFORMANCE (CONTINUED)

Revaluation Losses on Investment Properties

The Group recorded revaluation losses of approximately RMB29 million in total in 1H2012, as compared with RMB74 million gain in corresponding period last year.

Income Tax

Income tax decreased by 25% from RMB69 million in 1H2011 to RMB52 million in 1H2012. The decrease mainly due to the less LAT accrued resulted from less house delivery.

Loss Attributable to Equity Holders of the Company

The Group's loss attributable to equity holders amounted to approximately RMB497 million (1H2011: Profit attributable to equity holders of RMB105 million) during the period under review.

Financial Position

Equity attributable to equity holders of the Company was RMB4,717 million as at 30 June 2012 (31 December 2011: RMB5,225 million). Total assets amounted to RMB23,096 million (31 December 2011: RMB23,838 million) and total liabilities stood at RMB18,299 million (31 December 2011: RMB18,532 million).

Liquidity and Financial Resources

The Group's business operations, bank borrowings and cash proceeds raised have been the primary source of liquidity of the Group, which have been applied in business operations and investment in development projects.

Net gearing (total borrowings less cash and cash equivalents including restricted cash over total equity) stood at a level of 113% as at 30 June 2012. The Group had total cash and cash equivalents (including restricted cash) of RMB1,863 million, total borrowings of RMB7,274 million and an equity base of RMB4,797 million as at 30 June 2012 (31 December 2011: RMB5,306 million).

財務表現(續)

投資物業重估虧損

本集團於二零一二年上半年錄得重估虧損共約人民幣29,000,000元，去年同期則為收益人民幣74,000,000元。

所得稅

所得稅由二零一一年上半年的人民幣69,000,000元減少25%至二零一二年上半年的人民幣52,000,000元，主要原因為房屋交付減少，以致累算土地增值稅減少。

本公司股權持有人應佔虧損

本集團於回顧期錄得股權持有人應佔虧損約人民幣497,000,000元(二零一一年上半年：股權持有人應佔溢利人民幣105,000,000元)。

財務狀況

於二零一二年六月三十日，本公司的股權持有人應佔權益為人民幣4,717,000,000元(二零一一年十二月三十一日：人民幣5,225,000,000元)。總資產為人民幣23,096,000,000元(二零一一年十二月三十一日：人民幣23,838,000,000元)，而總負債則維持人民幣18,299,000,000元(二零一一年十二月三十一日：人民幣18,532,000,000元)。

流動資金及財務資源

本集團的業務營運、銀行借款及所籌得的現金所得為本集團的主要流動資金來源，其應用於業務營運及投資發展項目。

於二零一二年六月三十日的負債比率淨額(借款總額減去現金及現金等價物(包括受限制現金)後除以權益總額)處於113%的水平。本集團於二零一二年六月三十日的現金及現金等價物總額(包括受限制現金)為人民幣1,863,000,000元，借款總額為人民幣7,274,000,000元，股本基礎為人民幣4,797,000,000元(二零一一年十二月三十一日：人民幣5,306,000,000元)。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

FINANCIAL PERFORMANCE (CONTINUED)

Treasury Policy

The business transactions of the Group were mainly denominated in Renminbi. Except for fund raising transactions in capital market, there is limited exposure in foreign exchange risk.

The Group has established a treasury policy with the objective of better controlling of treasury functions and lowering costs of funds. In providing funds to all its operations, funding terms have been centrally reviewed and monitored at Group level.

In accomplishing the aim of minimizing interest risk, the policy of the Group is to continue to closely monitor and manage the Group's loan portfolio by its existing agreements' interest margin spread with market interest rates and offers from banks.

Credit Policy

Trade receivables mainly arose from sale and lease of properties. Receivables in respect of sale and lease of properties are settled in accordance with the terms stipulated in the sale and purchase agreements and lease agreements.

Pledge of Assets

As at 30 June 2012, the Group pledged properties and land use rights with a carrying value of RMB10 billion to secure bank facilities granted to the Group. The total secured loan balance outstanding as at 30 June 2012 amounted to RMB5.8 billion.

Financial Guarantees

As at 30 June 2012, the Group provided guarantees to banks for:

財務表現(續)

庫務政策

本集團的業務交易主要以人民幣計值。除在資本市場進行的籌集資金交易外，外匯風險有限。

本集團已設定庫務政策，目標為優化庫務職能的控制及減低資金成本。於為其所有業務提供資金時，資金的條款乃於本集團的層面受到中央檢討及監督。

為達到盡量減低利率風險的目標，本集團的政策是通過其現有的隨市場利率和銀行利率波動的協議利率來繼續緊密監督及管理本集團的貸款組合。

信貸政策

應收賬款主要由銷售和租賃物業所產生，有關銷售和租賃物業的應收賬款將按照買賣協議及租賃協議制定的有關條款收取。

資產抵押

於二零一二年六月三十日，本集團將其賬面值為人民幣100億元的物業及土地使用權抵押，以獲取授予本集團的銀行信貸。於二零一二年六月三十日，尚未償還有抵押的貸款結餘總額為人民幣58億元。

財務擔保

於二零一二年六月三十日，本集團就以下各項向銀行提供擔保：

| | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|--|---|---|
| Mortgage facilities granted to purchasers of property units 向物業單位買家按揭貸款 提供責任擔保 | 1,125,615 | 1,173,608 |

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

FINANCIAL PERFORMANCE (CONTINUED)

Capital Commitment

財務表現(續)

資本承擔

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|--------------------------------------|---------------|---|---|
| Property development activities: | 物業發展業務： | | |
| – Contracted but not provided for | – 已訂約但未撥備 | 2,598,608 | 3,445,465 |
| – Authorized but not contracted for | – 已授權但未訂約 | 2,052,190 | 2,174,828 |
| Total of property development | 物業發展總額 | 4,650,798 | 5,620,293 |

Human Resources

As at 30 June 2012, the Group employed a total of 1,476 employees (31 December 2011: 1,514). The Group has adopted a performance-based rewarding system to motivate its staff. In addition to a basic salary, year-end bonuses are offered to those staff with outstanding performance. Share award plan was adopted to attract and retain talents to contribute to the Group. In relation to staff training, the Group also provides different types of programs for its staff to improve their skills and develop their respective expertise.

人力資源

於二零一二年六月三十日，本集團總共僱用1,476名僱員(二零一一年十二月三十一日：1,514名僱員)。為激勵員工，本集團已採用一套與表現掛鈎的獎勵制度。除基本薪金外，亦會向表現突出的員工提供年終花紅，以及採納股份獎勵計劃以吸引及留任人才為本集團效力。有關員工培訓方面，本集團亦已為本身員工提供各種類型的培訓課程，以提升彼等的技術及發展彼等各自的專長。

Corporate Governance and Other Information

企業管治及其他資料

DIRECTORS' INTERESTS IN SECURITIES

As at 30 June 2012, the interests of each Director and chief executive of the Company in the equity or debt securities of the Company or any associated corporation (within the meaning of the Securities and Futures Ordinance ("SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") to be notified to the Company and the Stock Exchange were as follows:

(i) Long position in shares of the Company:

| Name of Director 董事姓名 | Capacity and nature of interest 身份及權益性質 | Number of shares 股份數量 | Approximate percentage of shareholding 持股量概約百分比 |
|---------------------------|---|--------------------------|--|
| Mr. Wang Weixian 王偉賢先生 | Interest of controlled corporation (Note 1) 受控制公司權益(附註1) | 632,252,138 | 60.15 |
| | Beneficiary of discretionary trust (Note 2) 酌情信託受益人(附註2) | 110,512,493 | 10.51 |
| Ms. Wang Xuling 王煦菱女士 | Beneficial owner (Note 3) 實益擁有人(附註3) | 3,000,000 | 0.28 |
| | Interest of controlled corporation (Note 4) 受控制公司權益(附註4) | 10,250,448 | 0.98 |
| | Beneficiary of discretionary trust (Note 2) 酌情信託受益人(附註2) | 110,512,493 | 10.51 |
| Mr. Chu Hau Lim 朱孝廉先生 | Beneficial owner (Note 5) 實益擁有人(附註5) | 2,000,000 | 0.19 |

Note 1: Mr. Wang Weixian is deemed to be interested in an aggregate of 742,764,631 shares which are held by SPG Investment Holdings Ltd., Brilliant Bright Investment Limited and Prestige Glory Enterprises Limited, respectively.

(a) 506,741,640 shares are held by SPG Investment Holdings Ltd. which is a wholly-owned subsidiary of SPG Asset Management Limited. The entire issued share capital of SPG Asset Management Limited is in turn beneficially owned by Mr. Wang Weixian.

(b) 125,510,498 shares are held by Prestige Glory Enterprises Limited which is entirely beneficially owned by Mr. Wang Weixian.

董事於證券的權益

於二零一二年六月三十日，本公司各董事及主要行政人員於本公司或任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」))的股本或債務證券中擁有(a)須根據證券及期貨條例第XV部第7及第8分部知會本公司及香港聯合交易所有限公司(「聯交所」)的權益(包括根據證券及期貨條例的有關條文被當作或視作擁有的權益及短倉)；或(b)根據證券及期貨條例第352條須記錄於該條例所述登記冊的權益；或(c)須根據上市發行人董事進行證券交易的標準守則(「標準守則」)知會本公司及聯交所的權益如下：

(i) 於本公司股份的長倉：

附註1：王偉賢先生被視為於合共742,764,631股股份中擁有權益。該等股份分別由SPG Investment Holdings Ltd.、Brilliant Bright Investment Limited及Prestige Glory Enterprises Limited所持有。

(a) 為數506,741,640股股份乃由SPG Investment Holdings Ltd.持有，該公司為SPG Asset Management Limited全資擁有的子公司。SPG Asset Management Limited之所有已發行股本由王偉賢先生實益擁有。

(b) 為數125,510,498股股份乃由Prestige Glory Enterprises Limited持有，該公司由王偉賢先生完全實益擁有。

Corporate Governance and Other Information (Continued)

企業管治及其他資料(續)

DIRECTORS' INTERESTS IN SECURITIES (CONTINUED)

(i) Long position in shares of the Company: (Continued)

Note 2: Each of Mr. Wang Weixian and Ms. Wang Xuling is deemed to be interested in 110,512,493 shares, which are held by Brilliant Bright Investment Limited which is a wholly-owned subsidiary of HSBC International Trustee Limited as trustee of a discretionary trust of which family members of Mr. Wang Weixian including Mr. Wang Weixian and Ms. Wang Xuling are discretionary objects.

Note 3: An award of 3,000,000 shares was made to Ms. Wang Xuling on 1 April 2012 under the Company's share award plan adopted on 3 December 2010 ("Share Award Plan") subject to vesting condition as stated in the award certificate.

Note 4: Ms. Wang Xuling is deemed to be interested in 10,250,448 shares, which are held by Boom Rich Investments Limited which is in turn entirely beneficially owned by Ms. Wang Xuling.

Note 5: An award of 2,000,000 shares was made to Mr. Chu Hau Lim on 16 April 2012 under the Share Award Plan subject to vesting condition as stated in the award certificate.

Save as disclosed above, as at 30 June 2012, none of the Directors, chief executives of the Company and their respective associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares or 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 are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

董事於證券的權益(續)

(i) 於本公司股份的長倉：(續)

附註2：王偉賢先生及王煦菱女士均被視為於110,512,493股股份中擁有權益，該等股份由Brilliant Bright Investment Limited持有，其為HSBC International Trustee Limited全資擁有子公司，而HSBC International Trustee Limited為以王偉賢先生家族成員(包括王偉賢先生及王煦菱女士)為酌情權益對象的酌情信託之受託人。

附註3：二零一二年四月一日，已根據本公司於二零一零年十二月三日採納的股份獎勵計劃(「股份獎勵計劃」)向王煦菱女士授出3,000,000股股份，惟須遵守獎勵證明書所列的歸屬條件。

附註4：王煦菱女士被視為於10,250,448股股份中擁有權益，該等股份由王煦菱女士完全實益擁有的Boom Rich Investments Limited持有。

附註5：二零一二年四月十六日，已根據股份獎勵計劃向朱孝廉先生授出2,000,000股股份，惟須遵守獎勵證明書所列的歸屬條件。

除上文所披露者外，於二零一二年六月三十日，本公司董事、主要行政人員及彼等各自的聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中概無擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的任何個人、家族、公司或其他權益或短倉(包括該等根據證券及期貨條例的有關條文被當作或視作擁有的權益或短倉)，或須根據證券及期貨條例第352條記錄於該條例所述之登記冊的任何個人、家族、公司或其他權益或短倉，或須根據標準守則而知會本公司及聯交所的任何個人、家族、公司或其他權益或短倉。

Corporate Governance and Other Information (Continued)

企業管治及其他資料(續)

SUBSTANTIAL SHAREHOLDERS

Other than interests disclosed in the section headed "Directors' Interests in Securities" above, as at 30 June 2012, according to the register of interests kept by the Company under section 336 of the SFO, the following entities had interests or short positions in the shares of the Company which fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

主要股東

除上文「董事於證券的權益」一節所披露的權益外，於二零一二年六月三十日，根據本公司根據證券及期貨條例第336條須存置的權益登記冊所記錄，下列實體於本公司股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露的權益或短倉：

| Name of shareholder 股東名稱 | Capacity and nature of interest 身份及權益性質 | Number of shares 股份數量 | Approximate percentage of shareholding 持股量概約百分比 |
|-------------------------------------|---|--------------------------|--|
| SPG Investment Holdings Ltd. | Beneficial owner (Note 1) 實益擁有人(附註1) | 506,741,640 | 48.21 |
| SPG Asset Management Limited | Interest of controlled corporation (Note 1) 受控制公司權益(附註1) | 506,741,640 | 48.21 |
| Prestige Glory Enterprises Limited | Beneficial owner (Note 1) 實益擁有人(附註1) | 125,510,498 | 11.94 |
| Brilliant Bright Investment Limited | Beneficial owner 實益擁有人 | 110,512,493 | 10.51 |
| HSBC International Trustee Limited | Trustee (Note 2) 受託人(附註2) | 110,512,493 | 10.51 |

Note 1: 506,741,640 shares are held by SPG Investment Holdings Ltd. which is a wholly-owned subsidiary of SPG Asset Management Limited. SPG Asset Management Limited is deemed to be interested in 506,741,640 shares under the SFO. Mr. Wang Weixian is a director of SPG Investment Holdings Ltd., SPG Asset Management Limited and Prestige Glory Enterprises Limited.

附註1：為數506,741,640股股份由SPG Investment Holdings Ltd.所持有，SPG Investment Holdings Ltd.為SPG Asset Management Limited全資擁有的子公司。根據證券及期貨條例，SPG Asset Management Limited被視為於SPG Investment Holdings Ltd.所持有之506,741,640股股份中擁有權益。王偉賢先生乃SPG Investment Holdings Ltd.、SPG Asset Management Limited及Prestige Glory Enterprises Limited之董事。

Note 2: These shares are held by Brilliant Bright Investment Limited which is a wholly-owned subsidiary of HSBC International Trustee Limited as a trustee of a discretionary trust of which family members of Mr. Wang Weixian including himself are discretionary objects.

附註2：此等股份為Brilliant Bright Investment Limited所持有。Brilliant Bright Investment Limited是HSBC International Trustee Limited全資擁有的子公司，而HSBC International Trustee Limited為一項酌情信託的受託人，其酌情信託受益人為王偉賢先生(包括其本人)的家族成員。

Corporate Governance and Other Information (Continued)

企業管治及其他資料(續)

FOREIGN CURRENCY RISK

Other than the Senior Notes proceeds, the Group conducts its business almost exclusively in Renminbi (“RMB”) and does not have any other direct exposure to foreign exchange fluctuations. Should the value of RMB appreciate, the Group would be affected mainly by the level of HKD and USD cash and bank balances maintained. RMB is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB must take place through the State of Administration on Foreign Exchange or other institutions authorised to buy and sell foreign exchange. The exchange rates adopted for the foreign exchange transactions are the rates of exchange quoted by the People’s Bank of China that are determined largely by supply and demand.

SPECIFIC PERFORMANCE OBLIGATION OF CONTROLLING SHAREHOLDER

Bank of East Asia (China) Limited, Shanghai Branch, granted a RMB facility of up to RMB600,000,000 to a wholly-owned subsidiary of the Company established in the PRC on 20 May 2010. In addition, on 6 July 2010, a wholly-owned subsidiary of the Company incorporated in Hong Kong (as borrower) has entered into a term loan facility agreement (the “Facility Agreement”) with The Bank of East Asia, Limited (the “Bank”). The Facility Agreement relates to the provision of a term loan facility of up to HKD500,000,000 (the “Facility”). The Facility has a repayment term of three years from the date of the Facility Agreement. The purpose of the Facility is to provide capital for the borrower to finance its investment(s), including but not limited to the acquisition of land in the PRC. The Company has agreed to provide an unconditional and irrevocable guarantee to the Bank in respect of the repayment obligations of the borrower under the Facility Agreement (the “Guarantee”).

Pursuant to the Guarantee, Mr. Wang Weixian, David, the controlling shareholder of the Company, shall continue to maintain more than 50% beneficial shareholding interest in the Company and maintain management control over the Company.

A failure to comply with the aforesaid obligation will constitute an event of default under the Facility Agreement. However no event of default will occur if the failure to comply is capable of remedy and is remedied within 15 business days (or such longer period as the Bank may approve) of the earlier of the Bank giving notice to the borrower or the borrower becoming aware of the failure to comply. If an event of default occurs, the Facility together with accrued interest, and all other amounts accrued or outstanding under the Facility Agreement may become immediately due and payable.

外幣風險

除發行優先票據所得款項外，本集團絕大部分用人民幣(「人民幣」)進行其業務，並不會遭受外匯波動的任何其他直接風險的影響。倘人民幣升值，則本集團將主要受到以港元及美元存置的現金及銀行結餘數額水平的影響。人民幣不可自由兌換為外幣。所有涉及人民幣的外匯交易須透過國家外匯管理局或其他獲授權進行外匯買賣的機構進行。外匯交易採納的匯率乃為中國人民銀行所公佈的匯率(主要按供求釐定)。

控股股東的特定履約責任

東亞銀行(中國)有限公司上海分行於二零一零年五月二十日授出一項達人民幣600,000,000元的人民幣融通予本公司於中國成立的全資子公司。此外，於二零一零年七月六日，本公司於香港註冊成立的全資子公司(作為借款人)與東亞銀行有限公司(「該銀行」)訂立有期貨款融通協議(「融通協議」)。融通協議乃關於提供一項達500,000,000港元的有期貨款融通(「該融通」)。該融通的還款期為自融通協議日期起計三年。該融通的目的是為提供資本予借款人，以撥支其投資，包括但不限於收購位於中國的土地。本公司已同意就借款人於融通協議項下的還款責任提供無條件及不可撤銷擔保予該銀行(「該擔保」)。

根據該擔保，本公司控股股東王偉賢先生須繼續持有超過50%之本公司實益股權，並維持對本公司的管理控制權。

未能遵守上述責任將構成融通協議項下的違約事項。然而，倘違約事項可予以補救且於該銀行發出通知予借款人或借款人知悉違約事項(以較早者為準)的15個營業日內(或該銀行可能批准的較長期間)獲糾正，則違約事項不會發生。倘出現違約事項，該融通連同累計利息及根據融通協議累計或尚未償還的所有其他金額可能會即時到期及須予償還。

Corporate Governance and Other Information (Continued)

企業管治及其他資料(續)

CORPORATE GOVERNANCE

On 1 April 2012, the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules (the "Listing Rules") Governing the Listing of Securities on the Stock Exchange ("Former CG Code") was amended and renamed as Corporate Governance Code and Corporate Governance Report ("New CG Code"). The Company has adopted the code provisions as set out in the New CG Code as the code of the Company in substitution for and to the exclusion of the Former CG Code with effect from 1 April 2012.

During the six months ended 30 June 2012, the Company has complied with the code provisions set out in the Former CG Code and New CG Code except for code provisions A.4.2 and E.1.2 as described below.

Code A.4.2 stipulates that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment.

Pursuant to the Company's articles of association, any person appointed as a Director by the Board shall stand for re-election at the next following annual general meeting of the Company. Such arrangement is considered appropriate in light of the requirement of paragraph 4(2) of Appendix 3 to the Listing Rules which requires that any person appointed by the directors to fill a casual vacancy shall hold office only until the next following annual general meeting and shall then be eligible for re-election.

Code E.1.2 stipulates that the chairman of the Board should attend annual general meetings. The chairman of the Board did not attend the annual general meeting for 2012 due to other business commitment.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct for dealings in securities of the Company by the Directors. Based on specific enquiry by the Company, all Directors have confirmed that they have complied with the required standards set out in the Model Code during the six months ended 30 June 2012.

企業管治

二零一二年四月一日，聯交所證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「舊企業管治守則」)經修訂及易名為企業管治守則及企業管治報告(「新企業管治守則」)。本公司已採納新企業管治守則所載的守則條文作為本公司的守則，以由二零一二年四月一日起取代及摒除舊企業管治守則。

截至二零一二年六月三十日止六個月，本公司一直遵守舊企業管治守則及新企業管治守則所載的守則條文，惟下文所述的第A.4.2及E.1.2條守則條文除外。

守則第A.4.2條規定所有獲委任填補臨時空缺的董事應在其獲委任後的首個股東大會獲股東選舉方可作實。

根據本公司的章程細則，獲董事會委任為董事的任何人士須於本公司下屆股東週年大會上接受重新選舉。鑑於上市規則附錄三第4(2)段規定獲董事委任以填補臨時空缺的任何人士將僅可任職至下屆股東週年大會為止，惟彼將合乎資格接受重新選舉，故該項安排被認為是適當的。

守則第E.1.2條規定董事會主席應出席股東週年大會。董事會主席由於需要處理其他業務，故未有出席二零一二年股東週年大會。

董事進行證券交易的標準守則

本公司採納上市規則附錄十所載的標準守則作為其董事買賣本公司證券的操守準則。根據本公司作出的特別查詢，所有董事均確認，彼等於截至二零一二年六月三十日止六個月內均有遵守標準守則所規定的準則。

Corporate Governance and Other Information (Continued)

企業管治及其他資料(續)

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2012, except that the trustee of the Share Award Plan, pursuant to the terms of the trust deed of the Share Award Plan, purchased on the Stock Exchange a total of 11,504,000 shares of the Company at total consideration of HK\$16,826,514.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51(B) of the Listing Rules, the changes in information of Directors subsequent to the date of the 2011 Annual Report are set out below:

| Name of Director | Details of Changes |
|-----------------------------|---|
| Mr. Cheong Ying Chew, Henry | Resigned as an independent non-executive director of Excel Technology International Holdings Limited on 3 July 2012 |
| Mr. Fong Wo, Felix, JP | Appointed as an independent non-executive director of Sheen Tai Holdings Group Company Limited, a company listed on the Stock Exchange, on 22 June 2012 |
| Mr. Jiang Simon X. | Appointed as an independent non-executive director of China Petroleum & Chemical Corporation, a company listed on the Stock Exchange, on 11 May 2012 |

購買、出售或贖回本公司上市證券

截至二零一二年六月三十日止六個月，除股份獎勵計劃受託人根據股份獎勵計劃的信託契據條款以總代價16,826,514港元於聯交所購買本公司合共11,504,000股股份外，本公司或其任何子公司概無購買、出售或贖回本公司任何上市證券。

董事資料變動

根據上市規則第13.51(B)條，董事資料自二零一一年年報日期起之變動載列如下：

| 董事姓名 | 變動詳情 |
|--------------|--|
| 張英潮先生 | 於二零一二年七月三日辭任志鴻科技國際控股有限公司的獨立非執行董事 |
| 方和先生 太平紳士 | 於二零一二年六月二十二日獲委任為順泰控股集團有限公司(聯交所上市公司)的獨立非執行董事 |
| 蔣小明先生 | 於二零一二年五月十一日獲委任為中國石油化工股份有限公司(聯交所上市公司)的獨立非執行董事 |

Corporate Governance and Other Information (Continued)

企業管治及其他資料(續)

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises the four independent non-executive Directors of the Company.

The audit committee has reviewed the interim results for the six months ended 30 June 2012 with the management of the Company.

By order of the Board
SPG Land (Holdings) Limited
WANG WEIXIAN
Chairman

Hong Kong, 31 August 2012

審核委員會

本公司已遵照上市規則第3.21條的規定成立審核委員會，以檢討及監督本集團的財務申報程序及內部監控。審核委員會由本公司四位獨立非執行董事組成。

審核委員會已與本公司管理層審閱截至二零一二年六月三十日止六個月的中期業績。

承董事會命
盛高置地(控股)有限公司
主席
王偉賢

香港，二零一二年八月三十一日

Report of the Auditors

核數師報告

**Review report to the board of directors
of SPG Land (Holdings) Limited**
(Incorporated in the Cayman Islands with limited liability)

致盛高置地(控股)有限公司
董事會的審閱報告
(於開曼群島註冊成立的有限公司)

INTRODUCTION

We have reviewed the interim financial report set out on pages 25 to 72 which comprises the consolidated balance sheet of SPG Land (Holdings) Limited ("the Company") and its subsidiaries (hereinafter collectively referred to as "the Group") as of 30 June 2012 and the related consolidated statement of comprehensive income, the consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, *Interim financial reporting*, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report 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 the interim financial report consists of making enquiries, 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.

緒言

本核數師(以下簡稱「我們」)已審閱載於第25頁至72頁的中期財務報告,其中包括盛高置地(控股)有限公司(「貴公司」)及其子公司(以下統稱「貴集團」)於二零一二年六月三十日的綜合資產負債表、截止該日止六個月期間的相關綜合全面利潤表、綜合權益變動表和簡明綜合現金流量表以及解釋性附註。根據香港聯合交易所有限公司證券上市規則規定,中期財務報告須遵照該上市規則中的相關規定及國際會計準則委員會頒佈的國際會計準則第34號「*中期財務報告*」編製。根據國際會計準則第34號,董事須對中期財務報告之編製及呈列負責。

我們的責任是按照我們協定的委聘條款,根據我們的審閱,對本中期財務報告作出結論,並僅向董事會報告。除此之外,本報告書不可用作其他用途。我們不會就本報告內容向任何其他人士負責或承擔任何責任。

審閱範圍

我們已根據香港會計師公會頒佈之香港審閱工作準則第2410號「*由實體的獨立核數師執行的中期財務資料審閱*」進行審閱工作。審閱中期財務報告主要包括向負責財務和會計事務之人員詢問,及進行分析性和其他審閱程序。審閱範圍遠小於根據香港審計準則進行審核之範圍,故我們無法保證我們將知悉在審核中可能被發現之所有重大事項。因此,我們不會發表審計意見。

Report of the Auditors (Continued)

核數師報告(續)

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report for the six months ended 30 June 2012 is not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim financial reporting*.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
31 August 2012

結論

根據我們的審閱工作，我們並未注意到任何事項，令我們相信截至二零一二年六月三十日止六個月之中期財務報告在各重大方面未有根據國際會計準則第34號之「*中期財務報告*」進行編製。

畢馬威會計師事務所

執業會計師
香港中環
遮打道10號
太子大廈8樓
二零一二年八月三十一日

Consolidated Statement of Comprehensive Income

綜合全面利潤表

For the six months ended 30 June 2012 – unaudited

截至二零一二年六月三十日止六個月 – 未經審核

| | | Six months ended 30 June | |
|---|-----------------------------|--------------------------|-----------|
| | | 截至六月三十日止六個月 | |
| | | 2012 | 2011 |
| | | 二零一二年 | 二零一一年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | Note | | |
| | 附註 | | |
| Revenue | 收益 | 867,807 | 1,363,736 |
| Cost of sales | 銷售成本 | (768,952) | (980,360) |
| Gross profit | 毛利 | 98,855 | 383,376 |
| Other income | 其他收入 | 2,287 | 2,645 |
| Selling and marketing costs | 銷售及市場推廣成本 | (36,248) | (48,942) |
| Administrative expenses | 行政費用 | (135,101) | (173,012) |
| Other operating expenses | 其他經營開支 | (176,352) | (8,024) |
| Results from operating activities | 來自經營活動的溢利 | (246,559) | 156,043 |
| Finance income | 融資收入 | 15,638 | 51,908 |
| Finance expenses | 融資成本 | (143,899) | (44,755) |
| Fair value changes on financial derivatives | 衍生金融工具的公允價值變動 | 76 | (24,335) |
| Net finance expenses | 融資成本淨額 | (128,185) | (17,182) |
| Share of losses of associates | 應佔聯營公司虧損 | (39,635) | (31,108) |
| Share of losses of jointly controlled entity | 應佔共同控制實體虧損 | (1,506) | (11,222) |
| (Loss)/Profit before revaluation (losses)/ gains on investment properties and income tax | 未計投資物業重估(虧損)/收益及所得稅前(虧損)/溢利 | (415,885) | 96,531 |
| Revaluation (losses)/gains on investment properties | 投資物業重估(虧損)/收益 | (29,236) | 74,288 |
| (Loss)/Profit before income tax | 除所得稅前(虧損)/溢利 | (445,121) | 170,819 |
| Income tax expense | 所得稅開支 | (52,166) | (69,398) |
| (Loss)/Profit for the period | 期內(虧損)/溢利 | (497,287) | 101,421 |
| (Loss)/Profit attributable to: | 以下人士應佔(虧損)/溢利: | | |
| Equity holders of the Company | 本公司股權持有人 | (495,958) | 105,002 |
| Minority interests | 少數股東權益 | (1,329) | (3,581) |
| (Loss)/Profit for the period | 期內(虧損)/溢利 | (497,287) | 101,421 |

The notes on pages 32 to 72 form part of this interim financial report. Details of dividends payable to equity holders of the Company are set out in note 10.

第32至72頁之附註乃本中期財務報告的組成部分。應付本公司股權持有人股息詳情載於附註10。

Consolidated Statement of Comprehensive Income (Continued)

綜合全面利潤表(續)

For the six months ended 30 June 2012 – unaudited

截至二零一二年六月三十日止六個月 – 未經審核

| | | Six months ended 30 June | | |
|---|---------------------------|--------------------------|-----------|---------|
| | | 截至六月三十日止六個月 | | |
| | | 2012 | 2011 | |
| | | 二零一二年 | 二零一一年 | |
| | | RMB'000 | RMB'000 | |
| | | 人民幣千元 | 人民幣千元 | |
| | Note | | | |
| | 附註 | | | |
| (Loss)/Earnings per share | 每股(虧損)/盈利 | | | |
| Basic (loss)/earnings per share (RMB) | 每股基本(虧損)/盈利 (人民幣元) | 11 | (0.484) | 0.100 |
| Diluted (loss)/earnings per share (RMB) | 每股攤薄(虧損)/盈利 (人民幣元) | 11 | (0.484) | 0.100 |
| (Loss)/Profit for the period | 期內(虧損)/溢利 | | (497,287) | 101,421 |
| Other comprehensive income for the period, net of income tax | 期內其他全面收入， 除所得稅 | | | |
| Exchange differences | 匯兌差異 | | (15) | 6 |
| Total comprehensive income for the period | 期內全面收入總額 | | (497,302) | 101,427 |
| Total comprehensive income attributable to: | 以下人士應佔全面收入總額： | | | |
| Equity holders of the Company | 本公司股權持有人 | | (495,973) | 105,008 |
| Minority interests | 少數股東權益 | | (1,329) | (3,581) |
| Total comprehensive income for the period | 期內全面收入總額 | | (497,302) | 101,427 |

The notes on pages 32 to 72 form part of this interim financial report. Details of dividends payable to equity holders of the Company are set out in note 10.

第32至72頁之附註乃本中期財務報告的組成部分。應付本公司股權持有人股息詳情載於附註10。

Consolidated Balance Sheet

綜合資產負債表

As at 30 June 2012 – unaudited

於二零一二年六月三十日 – 未經審核

| | | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|---|------------|-----------------------|---|---|
| | Note 附註 | | | |
| Non-current assets | | 非流動資產 | | |
| Property, plant and equipment | | 物業、廠房及設備 | 977,172 | 1,004,473 |
| Intangible assets | | 無形資產 | 1,543 | 1,566 |
| Land use rights | | 土地使用權 | 77,763 | 78,699 |
| Other investments | 12 | 其他投資 | 36,182 | 14,032 |
| Properties under development | 14 | 發展中物業 | 6,986,382 | 6,618,792 |
| Investment properties | 13 | 投資物業 | 1,746,000 | 1,651,000 |
| Interests in associates | 16 | 聯營公司權益 | 1,154,973 | 1,194,608 |
| Interests in a jointly controlled entity | 17 | 共同控制實體權益 | 733,629 | 735,135 |
| Deferred tax assets | 9(iv) | 遞延稅項資產 | 225,307 | 211,067 |
| Long-term receivable | 18 | 長期應收款 | 814,186 | 814,186 |
| | | | 12,753,137 | 12,323,558 |
| Current assets | | 流動資產 | | |
| Properties under development | 14 | 發展中物業 | 3,925,473 | 4,452,903 |
| Completed properties held for sale | 15 | 已建成待售物業 | 1,773,205 | 1,533,109 |
| Other investments | 12 | 其他投資 | 60,979 | 10,824 |
| Trade, other receivables and advance deposits | 19 | 應收賬款、其他應收款項 及預付按金 | 1,763,185 | 2,439,436 |
| Long-term receivable within one year | 18 | 一年內到期的長期應收款 | 125,486 | 125,486 |
| Restricted cash | 20 | 受限制現金 | 953,598 | 1,307,467 |
| Cash and cash equivalents | 21 | 現金及現金等價物 | 909,852 | 1,645,026 |
| Assets classified as held for sale | 28 | 歸類為持作待售的資產 | 831,273 | – |
| | | | 10,343,051 | 11,514,251 |
| Total assets | | 資產總額 | 23,096,188 | 23,837,809 |
| Capital and reserves | | 股本及儲備 | | |
| Share capital | 27 | 股本 | 106,591 | 106,591 |
| Share premium | | 股份溢價 | 2,069,086 | 2,069,086 |
| Reserves | | 儲備 | 779,395 | 790,993 |
| Retained earnings | | 保留溢利 | 1,762,080 | 2,258,044 |
| Total equity attributable to equity holders of the Company | | 本公司股權持有人應佔權益總額 | 4,717,152 | 5,224,714 |
| Minority interests | | 少數股東權益 | 80,056 | 81,385 |
| Total equity | | 權益總額 | 4,797,208 | 5,306,099 |

The notes on pages 32 to 72 form part of this interim financial report.

第32至72頁之附註乃本中期財務報告的組成部分。

Consolidated Balance Sheet (Continued)

綜合資產負債表(續)

As at 30 June 2012 – unaudited

於二零一二年六月三十日 – 未經審核

| | | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|--|----------------------|------------|---|---|
| | | Note 附註 | | |
| Current liabilities | 流動負債 | | | |
| Interest bearing loans | 計息貸款 | 22 | 2,886,165 | 2,077,615 |
| Trade, other payables and advance receipts | 應付賬款、其他應付款項 及預收款項 | 23 | 9,611,825 | 9,512,430 |
| Tax payable | 應付稅項 | | 1,097,821 | 1,209,234 |
| Long-term payable within one year | 一年內到期的長期應付款 | | 6,000 | 6,000 |
| Liabilities associated with assets classified as held for sale | 與歸類為持作待售的資產 有關的負債 | 28 | 55 | – |
| | | | 13,601,866 | 12,805,279 |
| Non-current liabilities | 非流動負債 | | | |
| Interest bearing loans | 計息貸款 | 22 | 3,148,802 | 4,174,690 |
| Long-term payable | 長期應付款 | | 41,557 | 39,997 |
| Financial derivatives | 衍生金融工具 | 25 | 1,666 | 1,742 |
| Senior notes | 優先票據 | 24 | 1,238,668 | 1,231,418 |
| Deferred tax liabilities | 遞延稅項負債 | 9(iv) | 266,421 | 278,584 |
| | | | 4,697,114 | 5,726,431 |
| Total liabilities | 負債總額 | | 18,298,980 | 18,531,710 |
| Total equity and liabilities | 權益及負債總額 | | 23,096,188 | 23,837,809 |
| Net current liabilities | 流動負債淨額 | | (3,258,815) | (1,291,028) |
| Total assets less current liabilities | 總資產減流動負債 | | 9,494,322 | 11,032,530 |

Approved and authorised for issue by the Board of Directors on 31 August 2012.

於二零一二年八月三十一日獲董事會批准及授權刊發。

Wang Weixian

王偉賢

Chairman of the Board of Directors

董事會主席

Wang Xuling

王煦菱

Group Managing Director and

Chief Executive Officer

集團董事總經理兼行政總裁

Consolidated Statement of Changes in Equity

綜合權益變動表

For the six months ended 30 June 2012 – unaudited

截至二零一二年六月三十日止六個月 – 未經審核

| | | Issued capital | Share premium | Merger reserve | Capital redemption reserve | Capital reserves (undistributable) | | | | | Retained earnings | Minority interests | Total equity | |
|--|-------------------------|----------------|---------------|----------------|----------------------------|------------------------------------|-----------------------------------|-----------------------|---------------------|---------------------|-------------------|--------------------|--------------|-----------|
| | | | | | | Shares held | Employee share-based compensation | PRC statutory reserve | Revaluation reserve | Translation reserve | | | | |
| | | | | | | Capital for Share Award Scheme | Employee share-based compensation | PRC statutory reserve | Revaluation reserve | Translation reserve | | | | |
| | | | | | | 資本股份獎勵計劃 | 僱員股份報酬 | 中國法定儲備 | 重估儲備 | 匯兌儲備 | 保留溢利 | 合計 | 少數股東權益 | 權益總額 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| | | (note 27) | | | | (note 26) | | | | | | | | |
| | | (附註27) | | | | (附註26) | | | | | | | | |
| As at 1 January 2011 | 於二零一一年一月一日 | 106,591 | 2,069,086 | 455,392 | 1,231 | - | 45,539 | 210,010 | 25,589 | 5,494 | 1,499,732 | 4,418,664 | 108,254 | 4,526,918 |
| Profit for the period | 期內溢利 | - | - | - | - | - | - | - | - | - | 105,002 | 105,002 | (3,581) | 101,421 |
| Other comprehensive income | 其他全面收入 | - | - | - | - | - | - | - | - | 6 | - | 6 | - | 6 |
| Total comprehensive income | 全面收入總額 | - | - | - | - | - | - | - | - | 6 | 105,002 | 105,008 | (3,581) | 101,427 |
| Transactions with owners, recorded directly in equity | 與持有人交易，於權益直接入賬記錄 | | | | | | | | | | | | | |
| Equity settled share-based transactions | 股權結算的股份支付交易 | - | - | - | - | - | 676 | - | - | - | - | 676 | - | 676 |
| Transfer to reserves | 轉撥至儲備 | - | - | - | - | - | - | 16,658 | - | - | (16,658) | - | - | - |
| Dividends declared to equity holders (note 10) | 向股權持有人宣派股息 (附註10) | - | - | - | - | - | - | - | - | - | (68,390) | (68,390) | - | (68,390) |
| Total transactions with owners | 與持有人交易總額 | - | - | - | - | - | 676 | 16,658 | - | - | (85,048) | (67,714) | - | (67,714) |
| As at 30 June 2011 | 於二零一一年六月三十日 | 106,591 | 2,069,086 | 455,392 | 1,231 | - | 46,215 | 226,668 | 25,589 | 5,500 | 1,519,686 | 4,455,958 | 104,673 | 4,560,631 |

The notes on pages 32 to 72 form part of this interim financial report.

第32至72頁之附註乃本中期財務報告的組成部分。

Consolidated Statement of Changes in Equity (Continued)

綜合權益變動表(續)

For the six months ended 30 June 2012 – unaudited

截至二零一二年六月三十日止六個月 – 未經審核

| | | Issued capital | Share premium | Merger reserve | Capital reserves (undistributable) | | | | | | | Total | Minority interests | Total equity |
|--|-------------------------|----------------|------------------|----------------|------------------------------------|------------------------------------|-----------------------------------|-----------------------|---------------------|---------------------|-------------------|------------------|--------------------|------------------|
| | | | | | Capital redemption reserve | Shares held for Share Award Scheme | Employee share-based compensation | PRC statutory reserve | Revaluation reserve | Translation reserve | Retained earnings | | | |
| | | | | | 資本儲備(不可分派) | | | | | | | | | |
| | | | | | 資本贖回儲備 | 股份獎勵計劃所持股份 | 僱員股份報酬 | 中國法定儲備 | 重估儲備 | 匯兌儲備 | 保留溢利 | 合計 | 股東權益 | 權益總額 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| | | (note 27) | | | | (note 26) | | | | | | | | |
| | | (附註27) | | | | (附註26) | | | | | | | | |
| As at 1 January 2012 | 於二零一二年一月一日 | 106,591 | 2,069,086 | 455,392 | 1,231 | (31,718) | - | 334,762 | 25,589 | 5,737 | 2,258,044 | 5,224,714 | 81,385 | 5,306,099 |
| Loss for the period | 期內虧損 | - | - | - | - | - | - | - | - | - | (495,958) | (495,958) | (1,329) | (497,287) |
| Other comprehensive income | 其他全面收入 | - | - | - | - | - | - | - | - | (15) | - | (15) | - | (15) |
| Total comprehensive income | 全面收入總額 | - | - | - | - | - | - | - | - | (15) | (495,958) | (495,973) | (1,329) | (497,302) |
| Transactions with owners, recorded directly in equity | 與持有人交易，於權益直接入賬記錄 | | | | | | | | | | | | | |
| Equity settled share-based transactions | 股權結算的股份支付交易 | - | - | - | - | - | 2,275 | - | - | - | - | 2,275 | - | 2,275 |
| Transfer to reserves | 轉撥至儲備 | - | - | - | - | - | - | 6 | - | - | (6) | - | - | - |
| Purchase of shares held for Share Award Scheme | 購買股份獎勵計劃所持股份 | - | - | - | - | (13,864) | - | - | - | - | - | (13,864) | - | (13,864) |
| Total transactions with owners | 與持有人交易總額 | - | - | - | - | (13,864) | 2,275 | 6 | - | - | (6) | (11,589) | - | (11,589) |
| As at 30 June 2012 | 於二零一二年六月三十日 | 106,591 | 2,069,086 | 455,392 | 1,231 | (45,582) | 2,275 | 334,768 | 25,589 | 5,722 | 1,762,080 | 4,717,152 | 80,056 | 4,797,208 |

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2012 – unaudited

截至二零一二年六月三十日止六個月 – 未經審核

| | | Six months ended 30 June | |
|---|----------------------|--------------------------|-----------|
| | | 截至六月三十日止六個月 | |
| | | 2012 | 2011 |
| | | 二零一二年 | 二零一一年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | Note | | |
| | 附註 | | |
| Cash generated from/(used in) operations | 經營業務產生/(所用)的現金 | 186,243 | (778,300) |
| Tax paid | 已支付稅項 | (225,038) | (216,908) |
| Net cash used in operating activities | 經營業務活動所用的現金淨額 | (38,795) | (995,208) |
| Net cash (used in)/generated from investing activities | 投資活動(所用)/產生的現金淨額 | (56,864) | 429 |
| Net cash (used in)/generated from financing activities | 融資活動(所用)/產生的現金淨額 | (638,670) | 370,471 |
| Net decrease in cash and cash equivalents | 現金及現金等價物減少淨額 | (734,329) | (624,308) |
| Cash and cash equivalents as at 1 January | 於一月一日的現金及現金等價物 | 21 | 1,514,439 |
| Effect of foreign exchange rate changes | 匯率變動的影響 | 363 | (4,912) |
| Cash and cash equivalents as at 30 June | 於六月三十日的現金及現金等價物 | 911,060 | 885,219 |
| Represented by: | 由下列項目組成: | | |
| Cash at bank and cash in hand | 銀行存款及現金 | 21 | 885,219 |
| Cash at bank and cash in hand included in assets classified as held for sale | 計入歸類為持作待售的資產的銀行存款及現金 | 28 | – |
| | | 911,060 | 885,219 |

The notes on pages 32 to 72 form part of this interim financial report.

第32至72頁之附註乃本中期財務報告的組成部分。

Notes to the Unaudited Interim Financial Report

未經審核的中期財務報表附註

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 13 April 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's shares were listed on the Hong Kong Stock Exchange on 10 October 2006.

The interim financial report of the Company for the six months ended 30 June 2012 comprises the Company and its subsidiaries and the Group's interests in associates and in jointly controlled entity.

2. BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("IASB").

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2011 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2012 annual financial statements. Details of these changes in accounting policies are set out in note 3.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2011 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full annual financial statements prepared in accordance with the International Financial Reporting Standards (IFRSs), and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2011.

The interim financial report is unaudited, but has been reviewed by the Company's Audit committee and by KPMG 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 (HKICPA). KPMG's independent review report to the board of directors is included on pages 23 to 24.

1. 一般資料

本公司於二零零六年四月十三日根據開曼群島公司法第22章(一九六一年經合併及修訂的第3條法例)在開曼群島註冊成立為受豁免有限公司。本公司股份於二零零六年十月十日在香港聯交所上市。

本公司於截至二零一二年六月三十日止六個月的中期財務報告包括本公司及其子公司以及本集團於聯營公司及共同控制實體的權益。

2. 編製基準

本中期財務報告乃根據香港聯合交易所有限公司證券上市規則之適用披露條文(包括遵守由國際會計準則委員會(「國際會計準則委員會」)頒佈之國際會計準則(「國際會計準則」)第34號「中期財務報告」)而編製。

中期財務報告乃根據與二零一一年年度財務報表所採納的相同會計政策編製，惟預期將於二零一二年年度財務報表內反映的會計政策變動除外。會計政策變動詳情載於附註3。

本中期財務報告載有簡明綜合財務報表及經挑選的解釋附註。該等附註包括對理解本集團自二零一一年年度財務報表刊發以來的財務狀況及表現所出現的變動而言屬重要的事件及交易的解釋。簡明綜合中期財務報表及其附註並不包括根據國際財務報告準則(「國際財務報告準則」)編製的完整的年度財務報表所規定的一切資料，並應與本集團於二零一一年十二月三十一日及截至該日止年度的綜合財務報表一併閱讀。

此中期財務報告乃未經審核，但已由本公司審核委員會審閱，並由畢馬威會計師事務所根據香港會計師公會(「香港會計師公會」)頒佈的香港審閱工作準則第2410號「由實體的獨立核數師執行的中期財務資料審閱」作出審閱。畢馬威會計師事務所致董事會的獨立審閱報告乃載於第23至24頁。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

2. BASIS OF PREPARATION (CONTINUED)

The Group incurred a loss of RMB497,287,000 for the six months ended 30 June 2012 and had net current liabilities of RMB3,258,815,000 as at 30 June 2012. Based on the anticipated ability of the Group to dispose of certain project companies, to obtain continued bank financing and the estimated proceeds from pre-sale of certain projects to finance its continuing operation, the Company's directors have prepared the financial statements on a going concern basis.

The financial information relating to the financial year ended 31 December 2011 that is included in the interim financial report as being previously reported information does not constitute the Company's statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2011 are available from the Company's registered office. The auditors expressed an unqualified opinion on those financial statements in their report dated 23 March 2012.

3. CHANGES IN ACCOUNTING POLICIES

The IASB has issued a few amendments to IFRSs that are first effective for the current accounting period of the Group and the Company. Of these, the following development is relevant to the Group's financial statements:

- Amendments to IAS 12, *Income taxes – Deferred tax: recovery of underlying assets*

Under IAS 12, deferred tax is required to be measured with reference to the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of the asset in question. In this regard, the amendments to IAS 12 introduced a rebuttable presumption that the carrying amount of investment property carried at fair value under IAS 40, *Investment property*, will be recovered through sale. This presumption is rebutted on a property-by-property basis if the investment property in question is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

2. 編製基準(續)

本集團截至二零一二年六月三十日止六個月招致虧損人民幣497,287,000元，於二零一二年六月三十日的流動負債淨額為人民幣3,258,815,000元。根據本集團出售若干項目公司及繼續得到銀行融資之預期能力及預售若干項目之估計所得款項為其持續經營提供資金，本公司董事以持續經營基準編製本財務報表。

中期財務報告所載作為過往呈報資料的關於截至二零一一年十二月三十一日止財政年度的財務資料並不構成本公司該財政年度的法定財務報表，但這些財務資料均取自該等財務報表。截至二零一一年十二月三十一日止年度的法定財務報表可於本公司的註冊辦事處索取。本公司核數師已在二零一二年三月二十三日的核數師報告中對這些財務報表出具無保留意見。

3. 會計政策變更

國際會計準則委員會頒佈了若干國際財務報告準則的修訂，並於本集團及本公司的本會計期間首次生效。其中，與本集團財務報表相關者的變動如下：

- 國際會計準則第12號的修訂－*所得稅－遞延稅項：收回相關資產*

根據國際會計準則第12號，在計量遞延稅項時，須考慮有關實體預期收回有關資產賬面值的方式所產生的稅務結果。就此，國際會計準則第12號的修訂引入一項可予以推翻的假設。該假設是指根據國際會計準則第40號「*投資物業*」以公允價值列賬的投資物業的賬面值將會透過出售收回。若有關投資物業可予折舊，並以旨在使投資物業絕大部分的經濟利益隨時間過去(非透過出售)而消耗的商業模式持有，則此項假設可按個別物業情況推翻。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

3. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

- Amendments to IAS 12, *Income taxes – Deferred tax: recovery of underlying assets (continued)*

In respect of the Group's investment properties which are all located in Mainland China, the directors determined that these properties are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time and consequently the presumption in the amended IAS 12 is rebutted for these properties. As a result, the Group continues to measure the deferred tax relating to these other properties using the tax rate that would apply as a result of recovering their value through use. Thus, the amendments to IAS 12 have no material impact on the Group's consolidated financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Except as described below, in preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2011.

During the six months ended 30 June 2012, management reassessed or evaluated its estimates and judgements, which may have a significant effect on the carrying amount of assets and liabilities, in respect of:

- Note 9 – income tax expense and deferred taxation
- Note 13 – valuation of investment properties
- Notes 24, 25 – valuation of financial derivatives
- Note 26 – measurement of share-based payments

3. 會計政策變更(續)

- 國際會計準則第12號的修訂—*所得稅—遞延稅項：收回相關資產(續)*

就本集團全部位於中國內地的投資物業而言，董事認定該等物業是以旨在使投資物業絕大部分的經濟利益隨時間過去而消耗的商業模式持有，因而推翻了該等物業根據國際會計準則第12號修訂之下的假設。有鑑於此，本集團根據該等物業本可透過使用而收回價值時適用的稅率，繼續計量該等其他物業的遞延稅項。因此，國際會計準則第12號的修訂對本集團的綜合財務報表並無重大影響。

本集團並無應用本會計期間尚未生效的任何新準則或詮釋。

4. 會計估計及判斷

根據國際會計準則第34號編製中期財務報告需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響政策的採用及所呈報的資產、負債及收支金額。實際結果可能與該等估計有所不同。

除下文所述者外，在編製該等簡明綜合中期財務報表時，管理層在應用本集團的會計政策及估計不確定因素的主要來源時所作出的重大判斷與編製於及截至二零一一年十二月三十一日止年度的綜合財務報表所應用者相同。

於截至二零一二年六月三十日止六個月內，管理層對其所作出的估計及判斷重新進行評定或評估，而該等估計及判斷可能會在以下方面對資產及負債的賬面值產生重大影響：

- 附註9—所得稅開支及遞延稅項
- 附註13—投資物業估值
- 附註24、25—衍生金融工具之估值
- 附註26—股份支付計量

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

5. FINANCIAL RISK MANAGEMENT

The Group conducts its operations in the People's Republic of China (PRC) and accordingly is subject to special considerations and significant risks. These include risks associated with, among others, the political, economic and legal environment, and the influence of national authorities over pricing regulation and competition in the industry.

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2011.

6. SEGMENT REPORTING

The Group has five reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the chief operating decision maker (the "CODM") reviews internal management reports at least on a monthly basis. The following summary describes the operations in each of the Group's reportable segments.

- Sales of property: this segment develops and sells residential properties, including villas, townhouses and apartments, etc. Currently the Group's activities in this regard are carried out in Shanghai, Kunming, Changshu, Wuxi, Suzhou, Haikou, Taiyuan and Ningbo.
- Lease of property: this segment leases commercial and residential properties to generate rental income and gain from the appreciation in the properties' values in the long term. Currently the Group's investment property portfolio is located in Shanghai, Suzhou and Wuxi.
- Hotel and related services: this segment operates hotels and service apartments to generate accommodation service and related income. Currently the Group's activities in this regard are carried out in Shanghai, Suzhou and Huangshan.

5. 財務風險管理

本集團在中華人民共和國(「中國」)經營業務，故須受特定因素及重大風險影響，其中包括政治、經濟及法制環境、國家機構實施價格管制的影響及行業競爭等風險。

本集團之金融風險管理目標及政策與於及截至二零一一年十二月三十一日止年度之綜合財務報表所披露者一致。

6. 分部報告

如下文所述，本集團有五個可申報分部，為本集團的策略性業務單位。策略性業務單位提供不同的產品及服務，由於需要不同的技術及營銷策略，因此獨立管理。就各策略性業務單位而言，主要經營決策者最少每月審閱內部管理報告。以下概要說明本集團各可申報分部的營運。

- 物業銷售：本分部發展及銷售住宅物業，包括別墅、連排別墅及公寓等。目前本集團於上海、昆明、常熟、無錫、蘇州、海口、太原及寧波經營有關業務。
- 物業租賃：本分部出租商業及住宅物業以產生租金收入以及長期物業增值的收益。目前本集團的投資物業組合位於上海、蘇州及無錫。
- 酒店及配套服務：本分部經營酒店及服務式公寓，以產生住宿服務及相關收入。目前本集團於上海、蘇州及黃山經營有關業務。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

6. SEGMENT REPORTING (CONTINUED)

- Education: this segment provides education and accommodation service to college students. Currently the Group's activities in this regard are carried out in Shanghai.
- Property management and other related services: this segment provides property management services, project management services, greenery construction services and other related services to external customers and group companies. Currently the Group's activities in this regard are carried out in Shanghai, Kunming, Changshu, Wuxi, Suzhou, Haikou, Taiyuan and Ningbo.

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets include all current and non-current assets with the exception of interests in associates and interests in a jointly controlled entity. Segment liabilities include all current and non-current liabilities except for the senior notes managed at corporate level.

Revenue and expenses are allocated to the reportable segments with reference to the revenue generated and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment results do not include fair value change on financial derivatives, share of losses of associates, share of losses of jointly controlled entity and profit or loss related to senior notes, share-based payments and any other transactions managed at the corporate level.

6. 分部報告(續)

- 教育：本分部向大專學生提供教育及住宿服務。目前本集團在上海經營有關業務。
- 物業管理及其他相關服務：本分部向外部客戶及集團公司提供物業管理服務、項目管理服務、綠化建設服務以及其他相關服務。目前本集團於上海、昆明、常熟、無錫、蘇州、海口、太原及寧波經營有關業務。

為評估分部表現及各分部間資源配置，本集團之高層行政管理人員按以下基準監控各可申報分部之業績、資產及負債：

分部資產包括所有流動及非流動資產(聯營公司權益及共同控制實體權益除外)。分部負債包括所有流動及非流動負債(由企業層面管理之優先票據除外)。

收益及開支乃參照可申報分部產生之收益及開支或因分部應佔之資產折舊或攤銷而產生者，分配至該等分部。分部業績並不包括衍生金融工具公允價值變動、應佔聯營公司虧損、應佔共同控制實體虧損及有關優先票據、股份支付及任何其他企業層面之交易的溢利或虧損。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

6. SEGMENT REPORTING (CONTINUED)

Information about reportable segments

For the six months ended 30 June 2012

| Expressed in RMB'000 以人民幣千元呈列 | | Sales of property 物業銷售 | Lease of property 物業租賃 | Hotel & related services 酒店及 配套服務 | Education 教育 | Property management & other related services 物業管理及 其他相關服務 | Total 合計 |
|---|-----------------------|------------------------------|------------------------------|---|-----------------|---|----------------|
| Revenue from external customers | 外部客戶收益 | 706,422 | 24,154 | 67,230 | 36,842 | 33,159 | 867,807 |
| Inter-segment revenue | 分部間收益 | – | – | – | – | 1,875 | 1,875 |
| Reportable segment revenue | 可申報分部收益 | 706,422 | 24,154 | 67,230 | 36,842 | 35,034 | 869,682 |
| Reportable segment (loss)/profit before income tax | 可申報分部除所得稅前 (虧損)/溢利 | (305,231) | (44,456) | (47,819) | 7,799 | (9,395) | (399,102) |
| As at 30 June 2012 | 於二零一二年六月三十日 | | | | | | |
| Reportable segment assets | 可申報分部資產 | 19,093,626 | 1,746,000 | 1,946,690 | 286,265 | 112,578 | 23,185,159 |
| Reportable segment liabilities | 可申報分部負債 | 15,695,788 | 802,526 | 1,585,966 | 200,170 | 80,499 | 18,364,949 |

For the six months ended 30 June 2011

截至二零一一年六月三十日止六個月

| Expressed in RMB'000 以人民幣千元呈列 | | Sales of property 物業銷售 | Lease of property 物業租賃 | Hotel & related services 酒店及 配套服務 | Education 教育 | Property management & other related services 物業管理及 其他相關服務 | Total 合計 |
|---|-----------------------|------------------------------|------------------------------|---|-----------------|---|------------------|
| Revenue from external customers | 外部客戶收益 | 1,263,253 | 17,727 | 20,212 | 36,875 | 25,669 | 1,363,736 |
| Inter-segment revenue | 分部間收益 | – | – | – | – | 8,779 | 8,779 |
| Reportable segment revenue | 可申報分部收益 | 1,263,253 | 17,727 | 20,212 | 36,875 | 34,448 | 1,372,515 |
| Reportable segment profit/(loss) before income tax | 可申報分部除所得稅前 溢利/(虧損) | 257,000 | 58,526 | (56,925) | (1,903) | (24,078) | 232,620 |
| As at 31 December 2011 | 於二零一一年 十二月三十一日 | | | | | | |
| Reportable segment assets | 可申報分部資產 | 19,819,429 | 1,651,000 | 2,407,164 | 308,566 | 168,413 | 24,354,572 |
| Reportable segment liabilities | 可申報分部負債 | 16,114,776 | 645,020 | 1,996,662 | 227,041 | 89,971 | 19,073,470 |

6. 分部報告(續)

有關可申報分部的資料

截至二零一二年六月三十日止六個月

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

6. SEGMENT REPORTING (CONTINUED)

Reconciliation of reportable segment revenues, (loss)/profit, assets and liabilities

6. 分部報告(續)

可申報分部收益、(虧損)/溢利、資產及負債的對賬

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|--------------------------------------|---------|---|------------------|
| | | 2012 二零一二年 | 2011 二零一一年 |
| <i>Revenue</i> 收益 | | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Reportable segment revenue | 可申報分部收益 | 869,682 | 1,372,515 |
| Elimination of inter-segment revenue | 分部間收益對銷 | (1,875) | (8,779) |
| Consolidated revenue | 綜合收益 | 867,807 | 1,363,736 |

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|--|-------------------|---|------------------|
| | | 2012 二零一二年 | 2011 二零一一年 |
| <i>(Loss)/profit</i> (虧損)/溢利 | | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Reportable segment (loss)/profit before income tax | 可申報分部除所得稅前(虧損)/溢利 | (399,102) | 232,620 |
| Elimination of inter-segment (loss)/profit | 分部間(虧損)/溢利對銷 | (2,679) | 5,540 |
| Fair value change on financial derivatives | 衍生金融工具的公允價值變動 | 76 | (24,335) |
| Share-based payments | 股份支付 | (2,275) | (676) |
| Share of losses of associates | 應佔聯營公司虧損 | (39,635) | (31,108) |
| Share of losses of a jointly controlled entity | 應佔共同控制實體虧損 | (1,506) | (11,222) |
| Consolidated (loss)/profit before income tax | 除所得稅前綜合(虧損)/溢利 | (445,121) | 170,819 |

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

6. SEGMENT REPORTING (CONTINUED)

Reconciliation of reportable segment revenues, (loss)/profit, assets and liabilities (Continued)

| | | 30 June | 31 December |
|--|-----------|-------------|-------------|
| | | 2012 | 2011 |
| | | 二零一二年 | 二零一一年 |
| | | 六月三十日 | 十二月三十一日 |
| <i>Assets</i> | | RMB'000 | RMB'000 |
| <i>資產</i> | | 人民幣千元 | 人民幣千元 |
| Reportable segment assets | 可申報分部資產 | 23,185,159 | 24,354,572 |
| Elimination of inter-segment receivables | 分部間應收款項對銷 | (1,345,497) | (1,814,430) |
| Elimination of inter-segment investments | 分部間投資對銷 | (632,076) | (632,076) |
| Interests in associates | 聯營公司權益 | 1,154,973 | 1,194,608 |
| Interests in a jointly controlled entity | 共同控制實體權益 | 733,629 | 735,135 |
| Consolidated total assets | 綜合資產總額 | 23,096,188 | 23,837,809 |

6. 分部報告(續)

可申報分部收益、(虧損)/溢利、資產及負債的對賬(續)

| | | 30 June | 31 December |
|---------------------------------------|-----------|-------------|-------------|
| | | 2012 | 2011 |
| | | 二零一二年 | 二零一一年 |
| | | 六月三十日 | 十二月三十一日 |
| <i>Liabilities</i> | | RMB'000 | RMB'000 |
| <i>負債</i> | | 人民幣千元 | 人民幣千元 |
| Reportable segment liabilities | 可申報分部負債 | 18,364,949 | 19,073,470 |
| Elimination of inter-segment payables | 分部間應付款項對銷 | (1,345,497) | (1,814,430) |
| Senior notes | 優先票據 | 1,277,862 | 1,270,928 |
| Financial derivatives | 衍生金融工具 | 1,666 | 1,742 |
| Consolidated total liabilities | 綜合負債總額 | 18,298,980 | 18,531,710 |

Geographical information

In view of the fact that the Group mainly operates in the PRC, no geographical segment information is presented.

Information about major customers

For the period ended 30 June 2012 and 2011, no single customer contributes 10% or more of the total sales of the Group.

地區資料

由於本集團主要在中國營運，故概無呈列地區分部資料。

有關主要客戶的資料

截至二零一二年及二零一一年六月三十日止期間，概無單一客戶貢獻本集團總銷售的10%或以上。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

7. OTHER OPERATING EXPENSES

7. 其他經營開支

| | | Six months ended 30 June | |
|-----------------|------|--------------------------|---------|
| | | 截至六月三十日止六個月 | |
| | | 2012 | 2011 |
| | | 二零一二年 | 二零一一年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Donations | 捐款 | 3,730 | 2,700 |
| Penalty costs | 違約成本 | 20,396 | 2,212 |
| Impairment loss | 減值虧損 | 148,141 | — |
| Others | 其他 | 4,085 | 3,112 |
| Total | 合計 | 176,352 | 8,024 |

As of 30 June 2012, the Group assessed the recoverable amounts of its properties. As a result, the carrying amounts of certain properties under development were written down by RMB38,398,000 (note 14) and the carrying amounts of certain completed properties held for sale were written down by RMB109,743,000 (note 15). The estimates of the recoverable amount were based on the properties' fair value less cost to sell, determined with reference to the recent observable market prices for similar assets.

於二零一二年六月三十日，本集團評估其物業的可收回金額，因而撇減若干發展中物業的賬面值人民幣38,398,000元(附註14)及撇減若干已建成待售物業的賬面值人民幣109,743,000元(附註15)。可收回金額估計乃按照物業的公允價值減銷售成本，並參考同類資產近期的可觀察市場價格而釐定。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

8. NET FINANCE EXPENSES

8. 融資成本淨額

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|----------------------------|---|-----------------------------------|
| | | 2012 二零一二年 RMB'000 人民幣千元 | 2011 二零一一年 RMB'000 人民幣千元 |
| Interest income on bank deposits | 銀行存款利息收入 | 15,638 | 21,838 |
| Interest income on long-term receivable | 長期應收款利息收入 | – | 30,070 |
| Finance income | 融資收入 | 15,638 | 51,908 |
| Interest expenses on loans and senior notes | 貸款及優先票據利息費用 | (400,205) | (273,153) |
| Less: interest capitalised (note 14) | 減: 資本化的利息(附註14) | 263,668 | 197,042 |
| Net interest expenses on loans and senior notes | 貸款及優先票據利息費用淨額 | (136,537) | (76,111) |
| Fair value change of investments held for trading | 持作買賣投資的 公允價值變動 | 1,420 | (2,580) |
| Interest expenses on long-term payable measured at amortised cost | 按已攤銷成本計算的長期 應付款利息費用 | (1,560) | (1,653) |
| Net foreign exchange (loss)/gain | 匯兌(虧損)/收益淨額 | (7,222) | 35,589 |
| Finance expenses | 融資成本 | (143,899) | (44,755) |
| Fair value changes on financial derivatives (notes 24,25) | 衍生金融工具的公允價值變動 (附註24、25) | 76 | (24,335) |
| Net finance expenses | 融資成本淨額 | (128,185) | (17,182) |

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

9. INCOME TAX EXPENSE

- (i) Income tax in the consolidated statement of comprehensive income represents:

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|--|-----------------|---|-----------------------------------|
| | | 2012 二零一二年 RMB'000 人民幣千元 | 2011 二零一一年 RMB'000 人民幣千元 |
| Current tax | 即期稅項 | | |
| Provision for PRC enterprise income tax for the period | 本期間中國企業所得稅撥備 | 24,545 | 42,935 |
| Provision for PRC land appreciation tax for the period | 本期間中國土地增值稅撥備 | 69,062 | 30,161 |
| | | 93,607 | 73,096 |
| Deferred tax | 遞延稅項 | | |
| Origination and reversal of temporary differences | 暫時差異的產生及撥回 | (11,832) | 1,293 |
| Benefit of tax losses recognised | 已確認稅項虧損影響 | (14,571) | (4,103) |
| Deferred PRC land appreciation tax | 遞延中國土地增值稅 | (15,038) | (888) |
| | | (41,441) | (3,698) |
| Total income tax expense in the consolidated statement of comprehensive income | 綜合全面利潤表的所得稅開支總額 | 52,166 | 69,398 |

Enterprise income tax

No provision for Hong Kong Profits Tax has been made as the Group did not earn any income subject to Hong Kong Profits Tax during the six months ended 30 June 2012.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

Pursuant to the Corporate Income Tax Law ("New Tax Law") of the PRC passed by the Fifth Plenary Session of the Tenth National People's Congress on 16 March 2007 and effective from 1 January 2008, the Group's main project companies were subject to PRC income tax at a rate of 25% (2011: 25%).

9. 所得稅開支

- (i) 綜合全面利潤表的所得稅指：

企業所得稅

由於本集團於截至二零一二年六月三十日止六個月期間並無賺取須繳納香港利得稅的收入，故並無作出香港利得稅撥備。

根據開曼群島及英屬處女群島的規則及規例，本集團毋須繳納任何開曼群島及英屬處女群島所得稅。

根據於二零零七年三月十六日第十屆全國人民代表大會第五次會議通過並於二零零八年一月一日起生效的中華人民共和國企業所得稅法(「新稅法」)，本集團的主要項目公司均須按25%的稅率繳納中國企業所得稅(二零一一年：25%)。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

9. INCOME TAX EXPENSE (CONTINUED)

- (i) Income tax in the consolidated statement of comprehensive income represents: (Continued)

Land appreciation tax

PRC land appreciation tax is levied on properties developed by the Group for sale at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including lease charges of land use rights, borrowing costs and all property development expenditures. Land appreciation tax of RMB54,024,000 has been included in the consolidated statement of comprehensive income for the six months ended 30 June 2012 (2011: RMB29,273,000).

The subsidiaries of the Group engaging in property development business in the PRC are subject to land appreciation tax, which has been included in the income tax. However, the implementation of these taxes varies amongst different districts and the Group has not finalised its land appreciation tax returns with the various tax authorities. Accordingly, significant judgement is required in determining the amount of land appreciation and its related taxes. The ultimate tax determination is uncertain during the ordinary course of business. The Group recognises these liabilities based on management's best estimates. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the profit or loss and provisions for land appreciation tax in the period in which such determination is made.

9. 所得稅開支(續)

- (i) 綜合全面利潤表的所得稅指：
(續)

土地增值稅

本集團銷售所發展的物業須按土地價值增幅以30%至60%的累進稅率繳納中國土地增值稅，根據有關規例，土地增值稅乃按出售物業所得款項減可扣稅開支(包括土地使用權租賃支出、借貸成本及所有物業發展開支)計算。截至二零一二年六月三十日止六個月計入綜合全面利潤表中的土地增值稅為人民幣54,024,000元(二零一一年：人民幣29,273,000元)。

本集團在中國從物業發展業務的子公司均須繳納土地增值稅，其已列入所得稅。然而，在不同地區，該等稅項的實施各有差異，且本集團尚未與各地稅務機關最終確定其土地增值稅申報表。因此，在釐定土地增值及其相關稅項的金額時須作出重大判斷。於日常業務過程中最終釐定的稅項是不確定的。本集團按照管理層的最佳估計確認該等負債。倘該等事項的最終稅額與最初記錄的金額不同，則該等差額將會影響作出有關決定期間的損益及土地增值稅撥備。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

9. INCOME TAX EXPENSE (CONTINUED)

(ii) Reconciliation between tax expense and accounting (loss)/profit at applicable tax rate:

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|----------------------|---|-----------------------------------|
| | | 2012 二零一二年 RMB'000 人民幣千元 | 2011 二零一一年 RMB'000 人民幣千元 |
| (Loss)/Profit before income tax | 除所得稅前(虧損)/溢利 | (445,121) | 170,819 |
| Less: PRC land appreciation tax | 減：中國土地增值稅 | (54,024) | (29,273) |
| | | (499,145) | 141,546 |
| Tax calculated at the rates applicable to respective companies of which the Group comprises | 按本集團屬下各公司適用稅率計算的稅項 | (96,330) | 30,782 |
| Tax effect of results attributable to associates and jointly controlled entity | 應佔聯營公司及共同控制實體業績的稅務影響 | (81) | 2,522 |
| Non-deductible expenses, net of non-taxable income | 不可扣稅支出(已扣除毋須課稅收入) | 6,178 | 1,678 |
| Unrecognised deferred tax assets | 未確認遞延稅項資產 | 86,319 | 5,367 |
| Over-provision in prior years | 過往年度超額撥備 | 2,056 | (146) |
| Effect of change in tax rate | 稅率變動的影響 | - | (78) |
| | | (1,858) | 40,125 |
| PRC land appreciation tax | 中國土地增值稅 | 54,024 | 29,273 |
| Total | 合計 | 52,166 | 69,398 |

The Group's loss before income tax for the six months ended 30 June 2012 was mainly incurred by Suzhou Runjian Property Co., Ltd., Wuxi Xindu Real Estate Development Ltd. and Wuxi Guosheng Development Co., Ltd. which are each subject to an income tax rate of 25% (2011: 25%).

The Group has not recognised deferred tax assets in respect of cumulative tax losses of certain subsidiaries for the six months ended 30 June 2012 as it is not probable that future taxable profits against which these losses can be utilised will be available in the relevant tax jurisdiction and entity.

9. 所得稅開支(續)

(ii) 所得稅開支和會計(虧損)/溢利按適用稅率計算的對賬：

本集團於截至二零一二年六月三十日止六個月之除所得稅前虧損主要源自蘇州潤建置業有限公司、無錫新都房產開發有限公司及無錫國盛房產開發有限公司，彼等各按25%(二零一一年：25%)之稅率繳納所得稅。

由於部分子公司不大可能在有關稅務司法權區及實體取得未來應課稅溢利以抵銷可動用的虧損，故本集團在截至二零一二年六月三十日止六個月未就累計稅項虧損確認遞延稅項資產。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

9. INCOME TAX EXPENSE (CONTINUED)

(iii) Deferred tax assets/liabilities

The movements in deferred tax assets and liabilities during the six months ended 30 June 2012 are as follows:

| | | Deferred tax assets 遞延稅項資產 RMB'000 人民幣千元 | Deferred tax liabilities 遞延稅項負債 RMB'000 人民幣千元 |
|--|-------------|--|---|
| As at 1 January 2012 | 於二零一二年一月一日 | 344,806 | 412,323 |
| Origination from temporary differences | 自暫時差異產生 | 51,943 | 4,939 |
| Realisation and reversal during the period | 期內變現及撥回 | (44,854) | (24,253) |
| As at 30 June 2012 | 於二零一二年六月三十日 | 351,895 | 393,009 |

(iv) Net-off of deferred tax assets/deferred tax liabilities

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|---------------------------------------|-----------|---|---|
| Deferred tax assets recognised | 已確認遞延稅項資產 | 351,895 | 344,806 |
| Net-off with deferred tax liabilities | 與遞延稅項負債抵銷 | (126,588) | (133,739) |
| Deferred tax assets | 遞延稅項資產 | 225,307 | 211,067 |
| Deferred tax liabilities recognised | 已確認遞延稅項負債 | 393,009 | 412,323 |
| Net-off with deferred tax assets | 與遞延稅項資產抵銷 | (126,588) | (133,739) |
| Deferred tax liabilities | 遞延稅項負債 | 266,421 | 278,584 |

9. 所得稅開支(續)

(iii) 遞延稅項資產／負債

截至二零一二年六月三十日止六個月，遞延稅項資產及負債的變動如下：

(iv) 抵銷遞延稅項資產／遞延稅項負債

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

10. DIVIDENDS

10. 股息

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|---|---|-----------------------------------|
| | | 2012 二零一二年 RMB'000 人民幣千元 | 2011 二零一一年 RMB'000 人民幣千元 |
| Dividends declared of RMB nil (2011: RMB0.065) per ordinary share during the period (i) | 本期間內宣派的股息每股普通股 人民幣零元(二零一一年： 人民幣0.065元)(i) | - | 68,390 |
| Dividends proposed after the balance sheet date (ii) | 資產負債表日後擬派股息(ii) | - | - |

(i) In the meeting held on 23 March 2012, the Board of Directors resolved not to propose cash dividends for the year ended 31 December 2011, which was approved at the Annual General Meeting held on 1 June 2012.

(ii) The Company's Board of Directors has resolved not to declare any interim dividend in respect of the six months ended 30 June 2012.

(i) 於二零一二年三月二十三日舉行的會議上，董事會議決不就截至二零一一年十二月三十一日止年度擬派任何現金股息，其於二零一二年六月一日舉行的股東週年大會上獲批准。

(ii) 本公司董事會已議決不就截至二零一二年六月三十日止六個月宣派任何中期股息。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

11. (LOSS)/EARNINGS PER SHARE

Basic and diluted (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period excluding ordinary shares purchased of the Group and held for Share Award Scheme (note 26).

11. 每股(虧損)/盈利

每股基本及攤薄(虧損)/盈利乃以本公司股權持有人應佔(虧損)/溢利除以期內已發行普通股(不包括已購買之本集團普通股及股份獎勵計劃所持股份(附註26))之加權平均數計算。

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|-------------------|--|-----------------------------------|
| | | 2012 二零一二年 RMB'000 人民幣千元 | 2011 二零一一年 RMB'000 人民幣千元 |
| (Loss)/profit attributable to equity holders of the Company | 本公司股權持有人應佔(虧損)/溢利 | (495,958) | 105,002 |
| | | Number of shares during six months ended 30 June 截至六月三十日止六個月的股份數目 | |
| | | 2012 二零一二年 | 2011 二零一一年 |
| Weighted average number of ordinary shares in issue | 已發行普通股的加權平均數 | 1,023,843,473 | 1,051,128,275 |

The average market value of the Company's ordinary shares for the purpose of calculating the dilutive effect of awarded shares was based on quoted market prices for the period during which the awarded shares were outstanding. For the period ended 30 June 2012, the Company incurred a loss and the average market price of ordinary shares of the Company is higher than the exercise price of these awarded shares including the fair value of employees' service to be supplied in the future. Thus, these awarded shares had an anti-dilutive effect and therefore were not considered in the calculation.

就計算獎勵股份之攤薄影響而言之本公司普通股平均市值，乃以獎勵股份發行在外期間之市場報價為基準。本公司於截至二零一二年六月三十日止期間招致虧損，而本公司普通股之平均市價高於該等獎勵股份之行使價，包括僱員日後將予提供之服務之公允價值。因此，該等獎勵股份具有反攤薄作用，故此在計算時並未考慮在內。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

12. OTHER INVESTMENTS

12. 其他投資

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|--------------------------------------|---------------|---|---|
| Equity securities available-for-sale | 可供出售股本證券 | 16,182 | 14,032 |
| Entrust loans | 委託貸款 | 20,000 | - |
| Non-current investments | 非即期投資 | 36,182 | 14,032 |
| Equity securities held for trading | 持作交易目的的股本證券 | 10,979 | 5,824 |
| Other available-for-sale investments | 其他可供出售投資 | - | 5,000 |
| Entrust loans (note 30(c)) | 委託貸款(附註30(c)) | 50,000 | - |
| Current investments | 即期投資 | 60,979 | 10,824 |

As at 30 June 2012, equity securities available-for-sale mainly represents the Group's 2.81% equity investment in XDM Resources Inc, which is incorporated in Canada and is engaged in minerals exploration and development.

As at 30 June 2012, equity securities held for trading mainly represent the investment in stock for trading purposes, which are listed on the stock exchanges of Shanghai and Shenzhen.

As at 30 June 2012, entrust loans represent the Group's short-term loans provided to the Peninsula Shanghai Waitan Hotel Company Limited ("The Peninsula"), an associate company of the Group.

於二零一二年六月三十日，可供出售股本證券主要指本集團於XDM Resources Inc的2.81%股權投資，該公司於加拿大註冊成立並從事礦產勘探及發展業務。

於二零一二年六月三十日，持作交易目的的股本證券主要指上海及深圳證券交易所上市股票投資，以作交易用途。

於二零一二年六月三十日，委託貸款指本集團向其聯營公司上海外灘半島酒店有限公司(「外灘半島」)提供的短期貸款。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

13. INVESTMENT PROPERTIES

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|------------------|---|-----------------------------------|
| | | 2012 二零一二年 RMB'000 人民幣千元 | 2011 二零一一年 RMB'000 人民幣千元 |
| Balance at beginning of period | 期初結餘 | 1,651,000 | 1,948,000 |
| Cost capitalised | 資本化成本 | 124,236 | 59,712 |
| Fair value adjustments: Recognised in loss or profit | 公允價值調整： 於損益確認 | (29,236) | 74,288 |
| Balance at end of period | 期終結餘 | 1,746,000 | 2,082,000 |

All the Group's investment properties are stated at fair values at 30 June 2012. The fair values were arrived at based on valuations carried out by DTZ Debenham Tie Leung Limited. The valuations, which conform to the Valuation Standards (First Edition 2005) on the Valuation of Properties published by the Hong Kong Institute of Surveyors, have been determined by reference to comparable sales evidence and, where appropriate, by capitalisation of net income. The revaluation gains have been credited to profit or loss for the respective periods, or, in the case of revaluation gains arising on transfer of an item of property, plant and equipment to investment properties following a change in use, to equity directly.

As at 30 June 2012, investment properties with a total carrying value of RMB1,183,000,000 (31 December 2011: RMB745,545,000) were pledged as collateral for the Group's borrowings.

13. 投資物業

本集團所有投資物業於二零一二年六月三十日均以公允價值入賬。公允價值乃根據戴德梁行有限公司進行的估值而釐定。該等估值根據香港測量師學會頒佈的物業估值標準(二零零五年第一版)進行，並參考比較銷售資料及(如適用)通過將收入淨額資本化而釐定。重估收益已計入各期的損益，倘因物業、廠房及設備項目在改變用途後轉撥至投資物業而產生重估收益，則直接計入權益。

於二零一二年六月三十日，本集團已將賬面總值人民幣1,183,000,000元(二零一一年十二月三十一日：人民幣745,545,000元)的投資物業作為本集團借貸的抵押品。

14. PROPERTIES UNDER DEVELOPMENT

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|--|-------------------|---|---|
| Properties under development expected to be completed: | 預期將於以下期間建成的發展中物業： | | |
| – within twelve months | – 十二個月內 | 3,925,473 | 4,452,903 |
| – beyond twelve months | – 十二個月後 | 6,986,382 | 6,618,792 |

14. 發展中物業

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

14. PROPERTIES UNDER DEVELOPMENT (CONTINUED)

14. 發展中物業(續)

| | | Six months ended 30 June 截至 六月三十日 止六個月 2012 二零一二年 RMB'000 人民幣千元 |
|--|---------------------|--|
| Cost: | 成本： | |
| Balance at beginning of period | 期初結餘 | 11,109,607 |
| Cost capitalised | 資本化成本 | 1,227,487 |
| Transfer to completed properties held for sale (note 15) | 轉撥至已建成待售物業(附註15) | (941,182) |
| Transfer to property, plant and equipment | 轉撥至物業、廠房及設備 | (5,913) |
| Transfer to assets classified as held for sale (note 28) | 轉撥至歸類為持作待售的資產(附註28) | (401,834) |
| | | 10,988,165 |
| Impairment losses: | 減值虧損： | |
| Balance at beginning of period | 期初結餘 | (37,912) |
| Addition (note 7) | 添置(附註7) | (38,398) |
| | | (76,310) |
| Balance at end of period | 期終結餘 | 10,911,855 |
| Interest capitalisation included in the above: | 已計入上述項目的資本化利息： | |
| Balance at beginning of period | 期初結餘 | 667,252 |
| Cost capitalised (note 8) | 資本化成本(附註8) | 263,668 |
| Transfer to completed properties held for sale | 轉撥至已建成待售物業 | (137,428) |
| Balance at end of period | 期終結餘 | 793,492 |

The properties under development are located in the PRC.

發展中物業均位於中國。

The weighted average capitalisation rate of borrowings is 9.85% for the six months ended 30 June 2012 (30 June 2011: 7.90%).

截至二零一二年六月三十日止六個月，借貸的加權平均資本化利率為9.85%（二零一一年六月三十日：7.90%）。

As at 30 June 2012, properties under development of approximately RMB7,792,908,000 (31 December 2011: RMB6,450,244,000) were pledged as collateral for the Group's borrowings.

於二零一二年六月三十日，本集團已抵押價值約人民幣7,792,908,000元（二零一一年十二月三十一日：人民幣6,450,244,000元）的發展中物業作為本集團借貸的抵押品。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

15. COMPLETED PROPERTIES HELD FOR SALE

15. 已建成待售物業

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|----------------|---|-----------------------------------|
| | | 2012 二零一二年 RMB'000 人民幣千元 | 2011 二零一一年 RMB'000 人民幣千元 |
| Cost: | 成本： | | |
| Balance at beginning of period | 期初結餘 | 1,576,343 | 505,220 |
| Transfer from properties under development (note 14) | 轉撥自發展中物業(附註14) | 941,182 | 925,735 |
| Transfer to cost of sales | 轉撥至銷售成本 | (634,577) | (836,767) |
| | | 1,882,948 | 594,188 |
| Impairment losses: | 減值虧損： | | |
| Balance at beginning of period | 期初結餘 | (43,234) | - |
| Addition (note 7) | 添置(附註7) | (109,743) | - |
| Transfer to cost of sales | 轉撥至銷售成本 | 43,234 | - |
| | | (109,743) | - |
| Balance at end of period | 期終結餘 | 1,773,205 | 594,188 |

All completed properties held for sale are located in the PRC.

所有已建成待售物業均位於中國。

As at 30 June 2012, completed properties held for sale of approximately RMB532,625,000 (31 December 2011: RMB487,018,000) were pledged as collateral for the Group's borrowings.

於二零一二年六月三十日，本集團已抵押價值約人民幣532,625,000元(二零一一年十二月三十一日：人民幣487,018,000元)的已建成待售物業作為本集團借貸的抵押品。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

16. INTERESTS IN ASSOCIATES

16. 聯營公司權益

| | | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|--|--------------------------|-------|---|---|
| The Peninsula | 外灘半島 | (i) | 1,036,620 | 1,078,086 |
| Shanghai Zhongxin Asset Management Co., Ltd. ("Shanghai Zhongxin") | 上海眾鑫資產經營有限公司 (「上海眾鑫」) | (ii) | 114,843 | 112,975 |
| Shanghai Zhaozhi Shiye Co., Ltd. ("Shanghai Zhaozhi") | 上海朝智實業有限公司 (「上海朝智」) | (iii) | 3,510 | 3,547 |
| | | | 1,154,973 | 1,194,608 |

(i) The Peninsula

(i) 外灘半島

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|----------------------------------|---------|---|---|
| Cost of investment | 投資成本 | 880,678 | 880,678 |
| Share of post-acquisition profit | 分佔收購後溢利 | 155,942 | 197,408 |
| | | 1,036,620 | 1,078,086 |

The Peninsula is 50% owned by the Group, and is engaged in development, operation and management of The Peninsula Shanghai Waitan Hotel.

外灘半島由本集團擁有50%股權，並從事開發、經營及管理上海外灘半島酒店。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

16. INTERESTS IN ASSOCIATES (CONTINUED)

(ii) Shanghai Zhongxin

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|----------------------------------|---------|---|---|
| Cost of investment | 投資成本 | 26,933 | 26,933 |
| Goodwill on acquisition | 收購產生的商譽 | 2,794 | 2,794 |
| Share of post-acquisition profit | 分佔收購後溢利 | 64,116 | 62,248 |
| Loan | 貸款 | 21,000 | 21,000 |
| | | 114,843 | 112,975 |

The loan to Shanghai Zhongxin of RMB21,000,000 represents the Group's proportional share of shareholders' loan, which is unsecured, interest free and has no fixed terms of repayment.

16. 聯營公司權益(續)

(ii) 上海眾鑫

向上海眾鑫提供的貸款人民幣21,000,000元(即本集團所佔股東貸款部分)為無抵押、免息及無固定還款期。

(iii) Shanghai Zhaozhi

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|----------------------------------|---------|---|---|
| Cost of investment | 投資成本 | 3,633 | 3,633 |
| Share of post-acquisition losses | 分佔收購後虧損 | (123) | (86) |
| | | 3,510 | 3,547 |

Shanghai Zhaozhi is 36.33% owned by the Group, and is engaged in development of commercial properties.

(iii) 上海朝智

上海朝智由本集團擁有36.33%股權，並從事商業物業開發業務。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

17. INTERESTS IN A JOINTLY CONTROLLED ENTITY 17. 共同控制實體權益

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|---|--------------------------|---|---|
| Hainan Tianyuan Lifeng Shiye Company Limited ("Tianyuan Lifeng") | 海南天源利豐實業有限公司 (「天源利豐」) | 733,629 | 735,135 |
| Cost of investment | 投資成本 | 758,476 | 758,476 |
| Share of post-acquisition losses | 分佔收購後虧損 | (24,847) | (23,341) |
| | | 733,629 | 735,135 |

Tianyuan Lifeng is 50.1% owned by the Group, and is mainly engaged in property development in Haikou, Hainan Province, the PRC.

天源利豐由本集團擁有50.1%股權，主要於中國海南省海口市從事物業發展。

18. LONG-TERM RECEIVABLE

18. 長期應收款

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|--|----------------|---|---|
| Long-term receivable (note 30(c)) | 長期應收款(附註30(c)) | 939,672 | 939,672 |
| Less: Long-term receivable due within 1 year | 減：一年內到期的長期應收款 | (125,486) | (125,486) |
| Long-term receivable due after 1 year | 一年後到期的長期應收款 | 814,186 | 814,186 |
| The amount is expected to be received as follows: 預期將會收取的金額如下： | | | |
| Within 1 year | 一年內 | 125,486 | 125,486 |
| Over 1 year but less than 2 years | 超過一年至兩年內 | 113,103 | 113,103 |
| Over 2 year but less than 5 years | 超過兩年至五年內 | 247,166 | 247,166 |
| Over 5 years | 超過五年以上 | 453,917 | 453,917 |
| | | 939,672 | 939,672 |

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

18. LONG-TERM RECEIVABLE (CONTINUED)

Long-term receivable represents shareholders' loan provided to Tianyuan Lifeng and its subsidiaries (collectively as "Tianyuan Lifeng Group"). The amount is non-interest bearing and repayable in 10 annual instalments of RMB130,000,000 each, starting from 11 June 2011 as scheduled. Since the repayment schedule was delayed, there is nil (note 8) interest income recognised in relation to the long-term receivable during the period (2011: RMB30,070,000).

18. 長期應收款(續)

長期應收款指提供予天源利豐及其子公司(統稱「天源利豐集團」)的股東貸款。該筆款項為免息，預定自二零一一年六月十一日起分10年償還，每期收取金額為人民幣130,000,000元。由於還款期已押後，因此期內並無就長期應收款確認利息收入(二零一一年：人民幣30,070,000元)(附註8)。

19. TRADE, OTHER RECEIVABLES AND ADVANCE DEPOSITS

19. 應收賬款、其他應收款項及預付按金

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|--|-------------------|---|---|
| Receivables due from related parties (note 30(c)) | 應收關連人士款項(附註30(c)) | 127,304 | 103,223 |
| Trade receivables due from third parties | 應收第三方的貿易應收賬款 | 18,174 | 14,599 |
| Advance payments to contractors | 預付承包商款項 | 136,792 | 136,958 |
| Advance deposits for acquisition of land use rights | 收購土地使用權的預付按金 | 764,367 | 1,532,975 |
| Non-trade receivables | 其他應收款項 | 421,729 | 414,274 |
| Tax prepayments | 預繳稅款 | 294,819 | 237,407 |
| Total | 合計 | 1,763,185 | 2,439,436 |

The receivables due from related parties are unsecured, non-interest bearing and repayable on demand.

應收關連人士款項為無抵押、免息及須於要求時償還。

Non-trade receivable balances, deposits and advances to third parties are expected to be settled or recovered within one year.

其他應收款項結餘、按金及預付第三方的款項預期於一年內清還或收回。

Tax prepayments mainly represent prepayments of business tax during the pre-sale stage of certain properties under development.

預繳稅款主要指因預售若干發展中物業而預繳的營業稅。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

19. TRADE, OTHER RECEIVABLES AND ADVANCE DEPOSITS (CONTINUED)

The ageing analysis of trade receivables at each balance sheet date is as follows:

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|-----------------------------------|--------------|---|---|
| Within 90 days | 90日內 | 16,098 | 14,322 |
| Over 90 days and within 180 days | 超過90日至180日內 | 20 | 7 |
| Over 180 days and within 365 days | 超過180日至365日內 | 2,056 | 270 |
| | | 18,174 | 14,599 |

19. 應收賬款、其他應收款項及預付按金(續)

應收賬款於各結算日的賬齡分析如下：

20. RESTRICTED CASH

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|---|----------------|---|---|
| For property construction and development | 有關建築及發展物業 | 445,072 | 436,489 |
| As pledge for loans and bank acceptance notes | 作為貸款及銀行承兌票據的抵押 | 508,095 | 861,763 |
| Others | 其他 | 431 | 9,215 |
| | | 953,598 | 1,307,467 |

20. 受限制現金

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

21. CASH AND CASH EQUIVALENTS

An analysis of the balance of cash and cash equivalents is set out below:

21. 現金及現金等價物

現金及現金等價物的結餘分析如下：

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|---|------------------|---|---|
| Cash at bank and cash in hand | 銀行存款及現金 | 1,863,450 | 2,952,493 |
| Less: restricted cash (note 20) | 減：受限制現金(附註20) | (953,598) | (1,307,467) |
| | | 909,852 | 1,645,026 |
| Cash at bank and cash in hand are denominated in: | 以下列貨幣結算的銀行存款及現金： | | |
| RMB | 人民幣 | 1,774,149 | 2,847,965 |
| USD | 美元 | 76,314 | 88,267 |
| AUD | 澳元 | 7 | 7 |
| HKD | 港元 | 12,980 | 16,254 |
| | | 1,863,450 | 2,952,493 |

RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to exchange restrictions imposed by the PRC government.

人民幣並非自由兌換貨幣，從中國匯出人民幣須遵守中國政府制訂的匯兌限制。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

22. INTEREST BEARING LOANS

22. 計息貸款

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|--|----------------|---|---|
| Current | 短期 | | |
| Secured bank loans | 有抵押銀行貸款 | 345,065 | 267,275 |
| Secured trust loans | 有抵押信託貸款 | 290,000 | 610,000 |
| Current portion of non-current secured bank loans | 有抵押銀行長期貸款的即期部分 | 1,611,100 | 700,340 |
| Current portion of non-current secured trust loans | 有抵押信託長期貸款的即期部分 | 640,000 | 500,000 |
| | | 2,886,165 | 2,077,615 |

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|---|------------------|---|---|
| Non-current | 長期 | | |
| Secured bank loans | 有抵押銀行貸款 | 3,638,902 | 3,614,030 |
| Secured trust loans | 有抵押信託貸款 | 1,561,000 | 1,561,000 |
| Unsecured bank loans | 無抵押銀行貸款 | 200,000 | 200,000 |
| Less: current portion of non-current secured bank loans | 減：有抵押銀行長期貸款的即期部分 | (1,611,100) | (700,340) |
| current portion of non-current secured trust loans | 有抵押信託長期貸款的即期部分 | (640,000) | (500,000) |
| | | 3,148,802 | 4,174,690 |

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

22. INTEREST BEARING LOANS (CONTINUED)

As at 30 June 2012, the Group's secured loans were secured by the following:

- (i) the Group's properties and land use rights with a total carrying amount of RMB10,253,955,000 (31 December 2011: RMB8,275,605,000);
- (ii) pledged time deposits of RMB441,843,000 (31 December 2011: RMB299,898,000); and
- (iii) charges over equity interests of certain subsidiaries of the Group.

The Group's non-current loans were repayable as follows:

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|------------------------------------|----------|---|---|
| Within 1 year | 一年內 | 2,251,100 | 1,200,340 |
| Over 1 year but less than 2 years | 超過一年至兩年內 | 2,068,500 | 3,057,350 |
| Over 2 years but less than 5 years | 超過兩年至五年內 | 754,302 | 639,590 |
| Over 5 years | 超過五年以上 | 326,000 | 477,750 |
| | | 5,399,902 | 5,375,030 |

The effective interest rate for the six months ended 30 June 2012 was as follows:

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 30 June 2011 二零一一年 六月三十日 RMB'000 人民幣千元 |
|-------------|------|---|---|
| Bank loans | 銀行貸款 | 6.89% | 6.41% |
| Trust loans | 信託貸款 | 13.59% | 12.65% |

The carrying amounts of current and non-current loans approximate their fair value.

22. 計息貸款(續)

於二零一二年六月三十日，本集團的有抵押貸款以下列各項作抵押：

- (i) 本集團總賬面值人民幣10,253,955,000元(二零一一年十二月三十一日：人民幣8,275,605,000元)的物業及土地使用權；
- (ii) 已抵押定期存款人民幣441,843,000元(二零一一年十二月三十一日：人民幣299,898,000元)；及
- (iii) 本集團若干子公司的股本權益押記。

本集團的長期貸款須於以下期間償還：

於截至二零一二年六月三十日止六個月的實際利率如下：

短期及長期貸款的賬面值與公允價值相近。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

23. TRADE, OTHER PAYABLES AND ADVANCE RECEIPTS 23. 應付賬款、其他應付款項及預收款項

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|---|-------------------|---|---|
| Payables due to related parties: | 應付關連人士款項： | | |
| Non-trade related: | 其他應付款項： | | |
| – Dividends payable (note 30(c)) | – 應付股息(附註30(c)) | 9,173 | 9,173 |
| – Other related parties (note 30(c)) | – 其他關連人士(附註30(c)) | 2,531,705 | 2,532,049 |
| | | 2,540,878 | 2,541,222 |
| Trade payables | 應付賬款 | 2,129,181 | 2,776,785 |
| Advance receipts from customers | 預收客戶款項 | 3,656,133 | 2,955,884 |
| Other taxes payable | 其他應付稅項 | 8,048 | 37,812 |
| Non-trade payables and accrued expenses | 其他應付款項和預提費用 | 387,341 | 310,483 |
| Unpaid land cost | 未支付土地成本 | 890,081 | 890,081 |
| Dividends payable | 應付股息 | 163 | 163 |
| Total | 合計 | 9,611,825 | 9,512,430 |

The payables due to related parties are unsecured, non-interest bearing and repayable on demand.

應付關連人士款項為無抵押、免息及須於要求時償還。

The ageing analysis of trade payables at each balance sheet date is as follows:

應付賬款於各結算日的賬齡分析如下：

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|-----------------------------------|--------------|---|---|
| Within 90 days | 90日內 | 750,990 | 1,272,165 |
| Over 90 days and within 180 days | 超過90日至180日內 | 562,942 | 420,679 |
| Over 180 days and within 365 days | 超過180日至365日內 | 587,161 | 583,922 |
| Over 365 days and within 3 years | 超過365日至3年內 | 228,088 | 500,019 |
| | | 2,129,181 | 2,776,785 |

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

24. SENIOR NOTES

On 8 April 2011, the Company issued 13.5% senior notes due 2016 (the "Notes") with an aggregated nominal value of USD200,000,000 (equivalent to approximately RMB1,308,400,000) at a value equal to 98.244% of the face value. The Notes are listed on the Singapore Exchange Securities Trading Limited. The Notes carry interest at the rate of 13.5% per annum, payable semi-annually on 8 April and 8 October in arrears, and will mature on 8 April 2016, unless redeemed earlier. The net proceeds, after deducting the direct issuance costs, amounted to approximately USD191,298,939 (equivalent to RMB1,251,477,657).

At any time on or after 8 April 2014, the Company may redeem the Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve month period beginning on 8 April of each of the years indicated below:

| Period 期間 | | Redemption price 贖回價 |
|---------------------|----------|----------------------------|
| 2014 | 二零一四年 | 106.75% |
| 2015 and thereafter | 二零一五年及以後 | 103.375% |

At any time prior to 8 April 2014, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

At any time prior to 8 April 2014, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the proceeds from sales of common stock of the Company at a redemption price of 113.5% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, provided that at least 65% of the aggregate principal amount of the Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

The redemption options held by the Company were separately accounted for at fair value at the initial recognition date and 30 June 2011 as derivative financial instruments in accordance with the accounting policy set out in note 3(c)(iii) to the financial statements for the year ended 31 December 2011 incorporated in the 2011 annual report of the Company.

24. 優先票據

於二零一一年四月八日，本公司按等同面值98.244%的價值發行於二零一六年到期總面值200,000,000美元(相等於約人民幣1,308,400,000元)的13.5厘優先票據(「票據」)。票據於新加坡證券交易所有限公司上市。票據按年利率13.5厘計息，於每年四月八日及十月八日每半年期末付息，並將於二零一六年四月八日到期(除非獲提早贖回)。經扣除直接發行成本的所得款項淨額約為191,298,939美元(相等於人民幣1,251,477,657元)。

本公司可於二零一四年四月八日或其後任何時間，按等同下文所載本金額百分比的贖回價，另加截至(但不包括)贖回日期的應計而未付利息(倘於下文所示各年度四月八日開始的十二個月內贖回)贖回全部或部分票據：

於二零一四年四月八日前任何時間，本公司可選擇按相等於票據本金額100%的贖回價，另加截至(但不包括)贖回日期的適用溢價及應計而未付利息(如有)，贖回全部(不得為部分)票據。

本公司可於二零一四年四月八日前任何時間，以出售本公司普通股的所得款項，按票據本金額113.5%的贖回價，另加截至(但不包括)贖回日期的應計而未付利息(如有)，贖回最多35%的票據本金總額。惟於各有關贖回及於有關股本發售結束後60日內進行的任何有關贖回後，至少65%原本已發行的票據本金總額須仍未償還。

本公司所持有的贖回權分別於初步確認日期及二零一一年六月三十日根據本公司二零一一年年報所載截至二零一一年十二月三十一日止年度財務報表附註3(c)(iii)載列的會計政策，按公允價值入賬列為衍生金融工具。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

24. SENIOR NOTES (CONTINUED)

The movements of different components of senior notes are set out below:

In RMB'000

| | | The Liability component 負債部分 RMB'000 人民幣千元 | Call option of the Company 本公司認購權 RMB'000 人民幣千元 | Total 合計 RMB'000 人民幣千元 |
|--|--------------------|---|--|---------------------------------|
| Senior Notes issued on 8 April 2011 | 於二零一一年四月八日發行的優先票據 | 1,274,320 | (22,842) | 1,251,478 |
| Interests and issue cost amortised during the period | 期內已攤銷利息及發行成本 | 41,375 | – | 41,375 |
| Exchange gain | 匯兌收益 | (13,726) | – | (13,726) |
| Change in fair value | 公允價值變動 | – | 21,558 | 21,558 |
| As at 30 June 2011 | 於二零一一年六月三十日 | 1,301,969 | (1,284) | 1,300,685 |
| As at 31 December 2011 | 於二零一一年十二月三十一日 | 1,270,928 | – | 1,270,928 |
| Interests and issue cost amortised during the period | 期內已攤銷利息及發行成本 | 87,405 | – | 87,405 |
| Interests paid during the period | 期內已付利息 | (85,097) | – | (85,097) |
| Exchange loss | 匯兌虧損 | 4,626 | – | 4,626 |
| Change in fair value | 公允價值變動 | – | – | – |
| As at 30 June 2012 | 於二零一二年六月三十日 | 1,277,862 | – | 1,277,862 |

24. 優先票據(續)

優先票據不同部分的變動載列如下：

以人民幣千元呈列

| Represented as | 由下列項目組成 | 30 June 2012 二零一二年六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年十二月三十一日 RMB'000 人民幣千元 |
|--------------------------------------|---------------|--|--|
| – Other payables – accrued interests | – 其他應付款項–應計利息 | 39,194 | 39,510 |
| – Senior notes | – 優先票據 | 1,238,668 | 1,231,418 |
| – Total | – 合計 | 1,277,862 | 1,270,928 |

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

24. SENIOR NOTES (CONTINUED)

The liability component of the Notes represents the contractually determined stream of future cash flows discounted at the rate of interest determined by the market instruments of comparable credit status, taking into account the business risk and financial risk of the Company. The effective interest rate of the liability component is 14.257% per annum for the period ended 30 June 2012.

At 30 June 2012, the liability component of the Notes was repayable as follows:

| | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|---------------------------------------|---|---|
| After two years but within five years | 1,238,668 | 1,231,418 |

25. FINANCIAL DERIVATIVES

| | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|---------------------|---|---|
| Interest rate swaps | (1,666) | (1,742) |

In 2010, interest rate swaps, denominated in Hong Kong dollars, have been entered into to achieve an appropriate mix of fixed and floating rate exposure. At 30 June 2012, the Group had interest rate swaps with a notional contract amount of HKD400,000,000 (2011: HKD400,000,000) to fix the interest rate of certain bank borrowings so as to reduce the impact of interest rate fluctuation. The swaps will mature in 2013, matching the maturity of the related loans and have fixed swap rates ranging from 0.79% to 0.995%.

The fair value of interest rate swap is determined by discounting the future cash flows of the contracts at the current market interest rates. The changes in the fair value during the six months ended 30 June 2012 resulted in a fair value gain of RMB76,000 (2011: loss of RMB2,777,000), which has been recorded as "Fair value changes on financial derivatives" in profit or loss for the current period.

24. 優先票據(續)

票據的負債部分為按利率折現的約定未來現金流量，利率經考慮本公司的業務風險及財務風險後，按照信貸狀況相若的市場工具釐定。截至二零一二年六月三十日止期間，負債部分的實際年利率為14.257%。

於二零一二年六月三十日，票據的負債部分須於以下年期償還：

25. 衍生金融工具

於二零一零年，本公司已訂立以港元列值的利率掉期，以達致適當的固定及浮動利率風險組合。於二零一二年六月三十日，本集團利率掉期的名義合約金額為400,000,000港元(二零一一年：400,000,000港元)，藉此固定若干銀行借貸的利率以減低利率波動的影響。掉期將於二零一三年到期，其配合相關貸款的到期日，固定掉期利率介乎0.79%至0.995%。

利率掉期的公允價值乃按當前市場利率折現合約的未來現金流量釐定。截至二零一二年六月三十日止六個月的公允價值變動導致公允價值收益人民幣76,000元(二零一一年：虧損人民幣2,777,000元)，已於本期間的損益內計入「衍生金融工具的公允價值變動」一項。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

26. SHARE-BASED PAYMENTS

Share award scheme

The Company adopted a share award scheme (the "Share Award Scheme") on 3 December 2010. The purpose of the Share Award Scheme is to recognise and reward the contribution of the executives and employees (whether serving full-time or part-time) and directors of the Group to the growth and development of the Group through an award of the shares of the Company. Pursuant to the Share Award Scheme, the remuneration committee (the "Committee") shall oversee the operation of the Share Award Scheme whereas a trustee shall be entrusted with the administration of the Share Award Scheme. The Share Award Scheme shall be valid and remain in force for a term of 10 years commencing from the adoption date.

The Committee may, during the period of the Share Award Scheme and at its absolute discretion, make awards to any eligible participant and any number of eligible participants. The eligibility of any eligible participant for an award shall be determined by the Committee from time to time on the basis of his/her contribution to the growth and development of the Group.

On 1 April 2012, the Board of Directors approved the details of the Share Award Plan specifying the eligible employees and vesting period. The key information of the plan is summarised as below:

| | |
|--------------------------------|--|
| Eligible participants: | (a) Vice Director and above; |
| | (b) Senior Manager and below with excellent performance |
| 合資格參與者： | (a) 副董事及以上； |
| | (b) 表現傑出的高級經理及以下 |
| Vesting Period: | 1 April 2012 to 31 March 2015 (3 years) |
| 歸屬期： | 二零一二年四月一日至二零一五年三月三十一日(三年) |
| Main vesting condition: | The participants remain employed in the Group during the vesting period. |
| 主要歸屬條件： | 參與者於歸屬期內繼續受僱於本集團。 |

During the period ended 30 June 2012, the Group granted 21,911,000 shares of the Company of which 5,600,000 shares were granted to two directors of the Company.

26. 股份支付

股份獎勵計劃

本公司於二零一零年十二月三日採納一項股份獎勵計劃(「股份獎勵計劃」)。股份獎勵計劃的目的是通過授予本公司的股份，肯定及獎賞本集團的主管人員、僱員(不論全職或兼職)及董事為本集團的增長及發展所作出的貢獻。根據股份獎勵計劃，薪酬委員會(「該委員會」)負責監督股份獎勵計劃的運作，並須委託受託人管理股份獎勵計劃。股份獎勵計劃自採納日期起計持續有效十年。

在股份獎勵計劃期間內，該委員會可全權酌情向任何合資格參與者及任何數目的合資格參與者給予獎賞。合資格獲取獎賞的參與者的資格，由該委員會按照該參與者為本集團的增長及發展所作出的貢獻而不時釐定。

董事會於二零一二年四月一日批准股份獎勵計劃的詳情，其中訂明了合資格僱員及歸屬期。該計劃的關鍵資料如下：

截至二零一二年六月三十日止期間，本集團授出21,911,000股本公司股份，其中5,600,000股股份已授予本公司兩名董事。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

26. SHARE-BASED PAYMENTS (CONTINUED)

Share award scheme (Continued)

Movements in the number of shares held for the Share Award Scheme for the period ended 30 June 2012 are as follows:

| | | Shares held for the Share Award Scheme 股份獎勵計劃 所持股份 (thousand) (千股) | Awarded shares 獎勵股份 (thousand) (千股) |
|----------------------------------|---------------------|---|---|
| Outstanding as of 1 January 2012 | 於二零一二年一月一日尚未行使 | 20,584 | – |
| Purchased (note 27(b)) | 已購買(附註27(b)) | 11,504 | – |
| Granted (i) | 已授出(i) | (21,911) | 21,911 |
| Outstanding as of 30 June 2012 | 於二零一二年六月三十日 尚未行使 | 10,177 | 21,911 |

(i) The weighted average fair value of the awarded shares was calculated based on the market prices of the Company's ordinary shares at the respective grant dates.

During the period ended 30 June 2012, an expense of RMB2.3 million (30 June 2011: nil) in relation to share-based payments is charged to administrative expenses in profit or loss.

26. 股份支付(續)

股份獎勵計劃(續)

截至二零一二年六月三十日止期間股份獎勵計劃所持股份的數目變動如下：

(i) 獎勵股份的加權平均公允價值乃按照本公司普通股於各授出日期的市價計算。

截至二零一二年六月三十日止期間，已於損益的行政費用就股份支付扣除開支人民幣2,300,000元(二零一一年六月三十日：無)。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

27. SHARE CAPITAL

(a) Authorised and issued share capital

| | | At 30 June 2012 and 31 December 2011 於二零一二年六月三十日及 二零一一年十二月三十一日 | |
|--------------------------------|---------------|---|--------------------------------|
| | | No. of shares (thousand) 股份數目 (千股) | Amount HKD'000 金額 千港元 |
| Authorised: | 法定： | | |
| Ordinary shares of HKD0.1 each | 每股面值0.1港元的普通股 | 10,000,000 | 1,000,000 |

| | | 30 June 2012 二零一二年六月三十日 | | 31 December 2011 二零一一年十二月三十一日 | |
|-----------------------|--------|--|---|--|---|
| | | No. of shares of nominal value of HKD0.1 each 每股面值 0.1港元的 股份數目 (thousand) (千股) | Nominal value of shares RMB'000 人民幣千元 | No. of shares of nominal value of HKD0.1 each 每股面值 0.1港元的 股份數目 (thousand) (千股) | Nominal value of shares RMB'000 人民幣千元 |
| Issued and fully paid | 已發行及繳足 | 1,051,128 | 106,591 | 1,051,128 | 106,591 |

27. 股本

(a) 法定及已發行股本

(b) Shares held for Share Award Scheme

During the period, the Share Award Scheme (note 26) acquired 11,504,000 shares of the Company through purchases on the open market. The total amount paid to acquire the shares during the period was RMB13,864,000.

(b) 股份獎勵計劃所持股份

期內，股份獎勵計劃(附註26)透過在公開市場購股，購入本公司11,504,000股股份。期內收購股份所付款項總額為人民幣13,864,000元。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

28. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 30 June 2012, the Group entered into a share sale and purchase agreement with an independent third party. Pursuant to the agreement the Group has agreed to sell 100% equity interests in Shanghai Yingjun Investment Management Co., Ltd. which owns 100% equity interests in Wuxi Shengdong Property Development Co., Ltd. at a total consideration of approximately RMB965.7 million (the "Proposed Disposal"). The Proposed Disposal is detailed in note 31.

The major classes of assets and liabilities of the disposal group as at 30 June 2012, which have been presented separately in the consolidated balance sheet, are as follows:

28. 歸類為持作待售的出售組別

二零一二年六月三十日，本集團與獨立第三方訂立股份買賣協議。根據該協議，本集團同意出售擁有無錫盛東房產開發有限公司100%股權之上海穎駿投資管理有限公司之100%股權，總代價約為人民幣965,700,000元(「建議出售事項」)。建議出售事項的詳情載於附註31。

出售組別於二零一二年六月三十日的主要資產及負債類別於綜合資產負債表分開呈列如下：

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 |
|---|---------------------------|--|
| Net assets of disposal group: | 出售組別淨資產: | |
| Property, plant and equipment | 物業、廠房及設備 | 799 |
| Properties under development (note 14) | 發展中物業(附註14) | 401,834 |
| Trade, other receivables and advanced deposits | 應收賬款、其他應收款項及預付按金 | 424,932 |
| Restricted cash | 受限制現金 | 2,500 |
| Cash at bank and cash in hand | 銀行存款及現金 | 1,208 |
| Total assets classified as held for sale | 歸類為持作待售的資產總額 | 831,273 |
| Trade and other payables | 應付賬款及其他應付款項 | (55) |
| Total liabilities associated with assets classified as held for sale | 與歸類為持作待售的資產有關的負債總額 | (55) |

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

29. CAPITAL COMMITMENTS

29. 資本承擔

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|-------------------------------------|-----------|---|---|
| Property development activities: | 物業發展活動： | | |
| – Contracted but not provided for | – 已訂約但未撥備 | 2,598,608 | 3,445,465 |
| – Authorised but not contracted for | – 已授權但未訂約 | 2,052,190 | 2,174,828 |
| Total of property development | 物業發展總額 | 4,650,798 | 5,620,293 |
| Joint venture interests | 合營企業權益 | – | 50,000 |
| Total | 合計 | 4,650,798 | 5,670,293 |

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

30. RELATED-PARTY TRANSACTIONS

Particulars of significant transactions between the Group and certain related parties in which a director or shareholder of the Company is in a position to exercise significant influence are as follows:

- (a) During the period ended 30 June 2012, transactions with the following parties were considered as related-party transactions:

30. 關連人士交易

本集團與若干關連人士(本公司董事或股東可對其行使重大影響者)的重大交易詳情如下:

- (a) 於截至二零一二年六月三十日止期間,與以下人士進行的交易視為關連人士交易:

| Name of party 有關人士名稱 | Relationship 關係 |
|---|---|
| – Mr. Wang Weixian – 王偉賢先生 | The founding equity holder and Chairman of the Company; Controlling shareholder of the Company's ultimate holding company 本公司創辦股權持有人兼主席; 本公司的最終控股公司的控股股東 |
| – Starwaly Properties (Group) Pty Ltd. ("SPG") | Controlled by Mr. Wang Weixian 由王偉賢先生控制 |
| – Shanghai Zhongxin – 上海眾鑫 | An associate of the Group 本集團的聯營公司 |
| – Shenzhen Huibo Investment Development Company Limited ("Huibo") – 深圳市匯博投資發展有限公司(「匯博」) | A minority equity holder of Sipo Education 思博教育的少數股權持有人 |
| – The Peninsula – 外灘半島 | 50% indirectly owned by Delta Link 由Delta Link間接擁有50% |
| – Prestige Glory Enterprises Limited ("Prestige Glory") | Equity holder of the Company and owned by Mr. Wang Weixian 本公司股權持有人及由王偉賢先生擁有 |
| – Boom Rich Investment Limited ("Boom Rich") | Equity holder of the Company and owned by Ms. Wang Xuling 本公司股權持有人及由王煦菱女士擁有 |
| – SPG Investment Holdings Limited ("SPG Investment") | Equity holder of the Company and owned by Mr. Wang Weixian 本公司股權持有人及由王偉賢先生擁有 |
| – Tianyuan Lifeng Group – 天源利豐集團 | Jointly controlled group of companies of the Group 本集團公司的共同控制集團 |
| – Wuxi Taihu Xincheng Real Estate Development Co., Ltd. ("Taihu Xincheng") – 無錫市太湖新城建設投資管理有限公司(「太湖新城」) | A minority equity holder of Wuxi Xindu 無錫新都的少數股權持有人 |
| – Shanghai Zhaozhi – 上海朝智 | An associate of the Group 本集團的聯營公司 |
| – Peninsula Shanghai (BVI) Ltd. ("Peninsula BVI") | An associate of the Group 本集團的聯營公司 |

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

30. RELATED-PARTY TRANSACTIONS (CONTINUED)

(b) Recurring transactions

30. 關連人士交易(續)

(b) 經常交易

| | | Six months ended 30 June | |
|------------------------------------|-------------|--------------------------|---------|
| | | 截至六月三十日止六個月 | |
| | | 2012 | 2011 |
| | | 二零一二年 | 二零一一年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Receipt of accommodation services: | 收取住宿服務： | | |
| The Peninsula | 外灘半島 | 421 | 1,406 |
| Entrust loan (note 12): | 委託貸款(附註12)： | | |
| The Peninsula | 外灘半島 | 50,000 | – |
| Leasing service: | 租賃服務： | | |
| Shanghai Zhongxin | 上海眾鑫 | 949 | 759 |
| Financing cost: | 融資成本： | | |
| Huibo | 匯博 | 169 | 207 |

The directors of the Company are of the opinion that the above related-party transactions were conducted on normal commercial terms and were priced with reference to prevailing market prices, and in the ordinary course of business.

本公司董事認為上述關連人士交易按一般商業條款訂立，並參考當前市價釐定價格及於日常業務過程中進行。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

30. RELATED-PARTY TRANSACTIONS (CONTINUED)

(c) Balances with related parties

As at 30 June 2012, the Group had the following balances with related parties:

30. 關連人士交易(續)

(c) 與關連人士的結餘

於二零一二年六月三十日，本集團與關連人士有以下結餘：

| | | 30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 | 31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 |
|---|--|---|---|
| Non-trade balances due from related parties (note 19): | 應收關連人士其他應收款項結餘(附註19)： | | |
| The Peninsula | 外灘半島 | 1,079 | 347 |
| Mr. Wang Weixian and his close family members | 王偉賢先生及其近親 | 72 | 72 |
| Prestige Glory | Prestige Glory | 8 | 8 |
| Boom Rich | Boom Rich | 12 | 12 |
| SPG Investment | SPG Investment | 28 | 27 |
| Tianyuan Lifeng Group | 天源利豐集團 | 99,598 | 75,600 |
| Shanghai Zhaozhi | 上海朝智 | 26,465 | 26,465 |
| Shanghai Zhongxin | 上海眾鑫 | - | 652 |
| SPG | SPG | 1 | - |
| Peninsula BVI | Peninsula BVI | 41 | 40 |
| | | 127,304 | 103,223 |
| Long-term receivable due from related parties (note 18): | 應收關連人士長期應收款(附註18)： | | |
| Tianyuan Lifeng Group | 天源利豐集團 | 939,672 | 939,672 |
| Long-term receivable due from Tianyuan Lifeng Group is unsecured and repayable by 10 annual instalments starting from 31 December 2012. | 應收天源利豐集團的長期應收款乃無抵押及須於二零一二年十二月三十一日起分十期(十年)償還。 | | |
| Other investments-entrust loans (note 12): | 其他投資-委託貸款(附註12)： | | |
| The Peninsula | 外灘半島 | 50,000 | - |
| Non-trade balances due to related parties (note 23): | 應付關連人士其他應付款項結餘(附註23)： | | |
| SPG | SPG | | |
| - dividends payable | - 應付股息 | 9,173 | 9,173 |
| - other payables | - 其他應付款項 | 4,082 | 4,051 |
| Huibo | 匯博 | 5,350 | 5,725 |
| Taihu Xincheng | 太湖新城 | 2,522,273 | 2,522,273 |
| | | 2,540,878 | 2,541,222 |

Notes to the Unaudited Interim Financial Report (Continued)

未經審核的中期財務報表附註(續)

30. RELATED-PARTY TRANSACTIONS (CONTINUED)

(c) Balances with related parties (Continued)

Trade and non-trade balances due from/to related parties are unsecured, interest-free and repayable on demand.

(d) Key management personnel remuneration

Remuneration for key management personnel was as follows:

| | | Six months ended 30 June | |
|-------------------------------|---------|--------------------------|---------|
| | | 截至六月三十日止六個月 | |
| | | 2012 | 2011 |
| | | 二零一二年 | 二零一一年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Salaries and other emoluments | 工資及其他薪酬 | 5,585 | 8,421 |

31. SUBSEQUENT EVENTS

Disposal of assets

On 30 June 2012, the Group entered into a share sale and purchase agreement with Evergrande Real Estate Group Shanghai Shengjian Property Company Limited, pursuant to which the Group has agreed to sell 100% equity interests in Shanghai Yingjun Investment Management Co., Ltd. which owns 100% equity interests in Wuxi Shengdong Property Development Co., Ltd. (the "Project Company") at a total consideration of approximately RMB965.7 million. The Project Company's major assets are the land use rights in respect of certain parcels of land located at the south of Taihu Dadao and the west of Youyi Lu, Xishan District, Wuxi, the PRC with a total site area of approximately 263,300 sq. m.

Up to the date of the report, an aggregated amount of RMB50 million has been received by the Group as part of the consideration pursuant to the agreement.

30. 關連人士交易(續)

(c) 與關連人士的結餘(續)

應收／應付關連人士賬款及其他應收／應付款項結餘為無抵押、免息及須於要求時償還。

(d) 關鍵管理人員薪酬

關鍵管理人員的薪酬如下：

31. 結算日後事項

出售資產

二零一二年六月三十日，本集團與恒大地產集團上海盛建置業有限公司訂立股份買賣協議。根據該協議，本集團同意出售擁有無錫盛東房產開發有限公司(「項目公司」)100%股權之上海穎駿投資管理有限公司之100%股權，總代價約為人民幣965,700,000元。項目公司的主要資產為若干位於中國無錫市錫山區太湖大道以南、友誼路以西總地盤面積約263,300平方米的的土地的土地使用權。

截至本報告日期，本集團已根據該協議收取總額人民幣50,000,000元作為部分代價。

