



Great China Properties Holdings Limited

大中華地產控股有限公司

(formerly known as Waytung Global Group Limited)
(Incorporated in Hong Kong with limited liability)

Stock Code: 00021

INTERIM REPORT

2013

MISSION
FOR VISION



The Board of Directors (the “Board”) of Great China Properties Holdings Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2013 together with the selected explanatory notes and comparative information for the corresponding period in 2012 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2013

	Notes	Six months ended 30 June	
		2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)
Turnover	3	19,493	6,972
Cost of sales		(14,600)	–
Gross profit		4,893	6,972
Change in fair value of held for trading investments		(41)	35
Change in fair value of investment properties		2,824	(2,108)
Net loss on disposal of held for trading investments		(39)	–
Other operating income		13	134
Selling and distribution expenses		(2,309)	–
Administrative and operating expenses		(17,731)	(9,423)
Loss before taxation	6	(12,390)	(4,390)
Taxation	7	(1,079)	(183)
Loss for the period		(13,469)	(4,573)
Attributable to:			
Owners of the Company		(13,469)	(4,573)
Non-controlling interests		–	–
		(13,469)	(4,573)
Loss per share – basic and diluted	9	(0.85) HK cents	(0.39) HK cents
Loss for the period		(13,469)	(4,573)
Other comprehensive income:			
Exchange differences arising on translation of foreign subsidiaries		7,392	(2,156)
Total comprehensive loss for the period		(6,077)	(6,729)
Attributable to:			
Owners of the Company		(6,077)	(6,729)
Non-controlling interests		–	–
		(6,077)	(6,729)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2013

	Notes	30 June 2013 HK\$'000 (Unaudited)	31 December 2012 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	10	3,042	3,305
Investment properties	11	239,879	231,822
Goodwill		–	–
Properties under development	12	232,557	73,826
Prepayment for acquisition of plant and equipment		540	662
Prepayment for investment properties under development		39,448	38,903
Prepayment for acquisition of a subsidiary	13	–	108,641
Prepaid lease payment		49	84
		515,515	457,243
Current assets			
Completed properties held for sale		191,368	195,544
Trade receivables	14	2,279	2,009
Other receivables	15	13,435	32,387
Held for trading investments		41	768
Bank balances and cash		12,935	22,955
		220,058	253,663
Current liabilities			
Trade payables	16	31,452	31,908
Other payables, deposit received and accrued charges		50,445	57,973
Amounts due to related companies		66,435	65,905
Amount due to a director	21(b)	24,512	51,237
		172,844	207,023
Net current assets			
		47,214	46,640
Total assets less current liabilities			
		562,729	503,883
Capital and reserves			
Share capital	17	17,660	15,628
Share premium and reserves		429,966	375,457
Total equity attributable to owners of the Company			
Non-controlling interests		12	(1)
		447,638	391,084
Non-current liabilities			
Amounts due to related companies		57,307	56,515
Deferred tax liabilities		57,784	56,284
		115,091	112,799
		562,729	503,883

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2013

	Attributable to owners of the Company							Non-controlling interests	Total
	Share capital	Share premium	Capital reduction reserve	Share-based payment reserve	Translation reserve	Accumulated losses	Sub-total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
At 1 January 2012 (audited)	463,827	35,767	-	-	15,607	(230,155)	285,046	(1)	285,045
Exchange difference arising on translation of foreign subsidiaries	-	-	-	-	(2,156)	-	(2,156)	-	(2,156)
Loss for the period	-	-	-	-	-	(4,573)	(4,573)	-	(4,573)
Total comprehensive loss for the period	-	-	-	-	(2,156)	(4,573)	(6,729)	-	(6,729)
At 30 June 2012 (unaudited)	463,827	35,767	-	-	13,451	(234,728)	278,317	(1)	278,316
At 1 January 2013 (audited)	15,628	108,857	265,505	-	18,822	(17,727)	391,085	(1)	391,084
Exchange difference arising on translation of foreign subsidiaries	-	-	-	-	7,392	-	7,392	-	7,392
Loss for the period	-	-	-	-	-	(13,469)	(13,469)	-	(13,469)
Total comprehensive income (loss) for the period	-	-	-	-	7,392	(13,469)	(6,077)	-	(6,077)
Recognition of equity-settled share-based payment	-	-	-	644	-	-	644	-	644
Non-controlling interests arising on the acquisition of assets through acquisition of a subsidiary	-	-	-	-	-	-	-	13	13
Issue of shares	2,032	59,951	-	-	-	-	61,983	-	61,983
Share issue expenses	-	(9)	-	-	-	-	(9)	-	(9)
At 30 June 2013 (unaudited)	17,660	168,799	265,505	644	26,214	(31,196)	447,626	12	447,638

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2013

	Notes	Six months ended 30 June	
		2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(12,390)	(4,390)
Adjustments for:			
Interest income		(13)	(7)
Depreciation of property, plant and equipment		518	584
Share-based payment expense		644	–
Change in fair value of held for trading investments		41	(35)
Net loss on disposal of held for trading investments		39	–
Change in fair value of investment properties		(2,824)	2,108
Loss on disposal of property, plant and equipment		13	–
Operating cash flows before movements in working capital		(13,972)	(1,740)
Decrease in completed properties held for sales		6,863	–
Increase in trade receivables		(240)	–
Decrease (increase) in other receivables, deposit paid and prepayments		4,438	(6,036)
Decrease in held for trading investments		646	–
Decrease in trade payables		(2,163)	–
(Decrease) increase in other payables, deposit received and accrued charges		(23,352)	1,187
Decrease in amounts due to related companies		(390)	–
Cash used in operations		(28,170)	(6,589)
Interest received		13	7
NET CASH USED IN OPERATING ACTIVITIES		(28,157)	(6,582)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(223)	(9)
Payment for investment properties		(1,948)	(4,661)
Purchase of properties under development		(6,217)	–
Prepayment for purchase of property, plant and equipment		(425)	–
Acquisition of assets through acquisition of a subsidiary, net of cash acquired of	18	(9,412)	–
Prepayment for acquisition of subsidiaries		–	(17,337)
NET CASH USED IN INVESTING ACTIVITIES		(18,225)	(22,007)

Six months ended 30 June

	2013 <i>HK\$'000</i> (Unaudited)	2012 <i>HK\$'000</i> (Unaudited)
CASH FLOW FROM FINANCING ACTIVITIES		
Share issue expenses	(9)	–
Advance from a director	35,115	7,902
Repayment to a director	–	(7,902)
NET CASH GENERATED FROM FINANCING ACTIVITIES	35,106	–
NET DECREASE IN CASH AND CASH EQUIVALENTS FOR THE PERIOD	(11,276)	(28,589)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	22,955	85,000
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	1,256	18
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		
Bank balances and cash	12,935	56,429

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2013

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Accounting Standard (“HKAS”) No. 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The unaudited condensed consolidated financial statements for the six months ended 30 June 2013 have been prepared on the historical cost basis except for certain financial instruments and investment properties, which are measured at fair values.

A number of new and revised standards, amendments to standards and interpretations are effective for the financial year beginning on 1 January 2013. Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2012, as described in those annual financial statements.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations (collectively referred to as the “new and revised HKFRSs”) issued by the HKICPA, which are effective for the Group’s financial year beginning on 1 January 2013. A summary of the new and revised HKFRSs adopted by the Group is set out as follows:

HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income
HKAS 19 (Revised in 2011)	Employee Benefits
HKAS 27 (Revised in 2011)	Separate Financial Statements
HKAS 28 (Revised in 2011)	Investments in Associates and Joint Ventures
HKFRS (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle Issued in June 2012
HKFRS 1 (Amendments)	Government Loans
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements Disclosure of Interests in Other Entities: Transition Guidance
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine

The adoption of the new and revised HKFRSs has not had any material impact on the amounts reported in the financial statements of the Group for the current or prior accounting periods.

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

HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities ¹
HKAS 36 (Amendments)	Recoverable Amount Disclosures for Non-Financial Assets ¹
HKAS 39 (Amendments)	Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting ¹
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ²
HKFRS 9	Financial Instruments ²
HKFRS 10, HKFRS 12 and HKAS 27 (2011) (Amendments)	Consolidated Financial Statements, Disclosure of Interest in Other Entities, Separate Financial Statements: Investment Entities ¹
HK(IFRIC) – Int 21	Levies ¹

¹ Effective for annual periods beginning on or after 1 January 2014.

² Effective for annual periods beginning on or after 1 January 2015.

The directors of the Company have commenced their assessment of the impact of the above new and revised standards, amendments and interpretations, but it is not yet in a position to state whether these new and revised standards, amendments and interpretations, would have a material impact on the results and the financial position of the Group.

3. TURNOVER

	Six months ended 30 June	
	2013 <i>HK\$'000</i> (Unaudited)	2012 <i>HK\$'000</i> (Unaudited)
Sales of properties	13,180	–
Rental income	6,205	6,972
Property management service income	108	–
	19,493	6,972

4. FAIR VALUE OF FINANCIAL ASSETS

The following table provides an analysis of financial assets that are measured subsequent to initial recognition at fair value, grouped into Level 1 based on the degree to which the fair value is observable. There were no financial assets that were measured subsequent to initial recognition at fair value grouped into Levels 2 and 3 and there were no transfers between Levels 1 and 2 in both periods.

Level 1 fair value measurements are those derived from quoted market prices (unadjusted) in active market for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	30 June 2013 HK\$'000 (Unaudited)	31 December 2012 HK\$'000 (Audited)
Level 1 Financial Assets		
Held for trading investments – listed equity securities	41	768

The Group had no Level 2 and Level 3 of financial assets as at 30 June 2013.

5. SEGMENT INFORMATION

Information reported to the board of directors of the Company, being the chief operating decision maker, for the purposes of allocating resources to segments and assessing their performance focuses on the nature of business.

The accounting policies of the reportable segment are the same as the Group's accounting policies. Segment performance is evaluated based on reportable segment profit/(loss). The segment profit/(loss) is measured consistently with the Group's profit/(loss) except that bank interest income, change in fair value of held for trading investments, net loss on disposal of held for trading investments, central administration costs including directors' salaries under the heading of unallocated corporate expenses and unallocated other operating income are excluded from such measurement. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

For management purposes, the Group's reportable segments are as follows:-

Property development and trading:

Property development and sales of trading properties.

Property investment:

Investment in properties to generate rental income.

Segment revenue and results

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

Six months ended 30 June 2013

	Property development and trading HK\$'000 (Unaudited)	Property investment HK\$'000 (Unaudited)	All other segments HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Segment revenue	13,180	6,205	108	19,493
Segment profit (loss)	772	4,542	(136)	5,178
Unallocated other operating income				3
Unallocated expenses				(17,571)
Loss before taxation				(12,390)

Six months ended 30 June 2012

	Property development and trading HK\$'000 (Unaudited)	Property investment HK\$'000 (Unaudited)	All other segments HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Segment revenue	–	6,972	–	6,972
Segment profit (loss)	(419)	493	–	74
Unallocated other operating income				167
Unallocated expenses				(4,631)
Loss before taxation				(4,390)

Segment revenue represents revenue generated from external customers. There were no inter-segment sales in the current period (Six months ended 30 June 2012: Nil (unaudited)).

Segment assets and liabilities

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

Segment assets

At 30 June 2013

	Property development and trading HK\$'000 (Unaudited)	Property investment HK\$'000 (Unaudited)	All other segments HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Segment assets	437,055	282,955	132	720,142
Total segment assets				720,142
Unallocated assets				15,431
Consolidated total assets				735,573

At 31 December 2012

	Property development and trading HK\$'000 (Audited)	Property investment HK\$'000 (Audited)	All other segments HK\$'000 (Audited)	Total HK\$'000 (Audited)
Segment assets	405,465	279,171	–	684,636
Total segment assets				684,636
Unallocated assets				26,270
Consolidated total assets				710,906

Segment liabilities

At 30 June 2013

	Property development and trading <i>HK\$'000</i> (Unaudited)	Property investment <i>HK\$'000</i> (Unaudited)	All other segments <i>HK\$'000</i> (Unaudited)	Total <i>HK\$'000</i> (Unaudited)
Segment liabilities	209,047	1,743	369	211,159
Total segment liabilities				211,159
Unallocated liabilities				76,776
Consolidated total liabilities				287,935

At 31 December 2012

	Property development and trading <i>HK\$'000</i> (Audited)	Property investment <i>HK\$'000</i> (Audited)	All other segments <i>HK\$'000</i> (Audited)	Total <i>HK\$'000</i> (Audited)
Segment liabilities	246,960	13,389	–	260,349
Total segment liabilities				260,349
Unallocated liabilities				59,473
Consolidated total liabilities				319,822

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments other than unallocated assets including bank balances and cash and other corporate assets; and
- all liabilities are allocated to reportable segments other than unallocated liabilities including income tax liabilities, deferred tax liabilities and certain head office and other corporate liabilities.

Certain comparative figures have been represented to conform with the change of resources allocation in the current period.

6. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging (crediting):

	Six months ended 30 June	
	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)
Directors' remuneration	1,274	578
Other staff costs	4,167	1,614
Share-based payment (excluding directors)	322	–
Retirement benefit scheme contributions (excluding directors)	489	166
Total staff costs	6,252	2,358
Depreciation of property, plant and equipment	518	584
Loss on disposal of property, plant and machinery	13	–
Minimum lease rentals in respect of rented premises	1,752	1,255
Net loss on disposal of held for trading investments	39	–
Net foreign exchange loss (gain)	1,166	(115)
Dividend income from held for trading investments	–	(12)
Interest income	(13)	(7)
Gross rental income from investment properties	(6,205)	(6,972)
Direct operating expenses from investment properties that generated rental income during the period	753	720
	(5,452)	(6,252)

7. TAXATION

	Six months ended 30 June	
	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)
Current tax:		
Hong Kong Profits Tax		
– Provision for the period	373	710
Deferred taxation	706	(527)
	1,079	183

Hong Kong Profits Tax is calculated at 16.5% (2012: 16.5%) of the estimated assessable profit for the period.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% (2012: 25%).

8. DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2013 (Six months ended 30 June 2012: Nil).

9. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

	Six months ended 30 June	
	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)
Loss for the period attributable to owners of the Company for the purpose of basic loss per share	(13,469)	(4,573)
	'000	'000
Weighted average number of ordinary shares for the purpose of basic loss per share	1,586,349	1,159,567

The denominators used are the same as those details above for both basic and diluted loss per share for both periods.

The calculation diluted loss per share does not assume the exercise of the outstanding share options as the exercise prices of those options are higher than the average market price for shares for current period.

10. PROPERTY, PLANT AND EQUIPMENT

	Furniture and fixtures HK\$'000	Computer equipment HK\$'000	Machinery HK\$'000	Motor vehicles HK\$'000	Leasehold improvement HK\$'000	Total HK\$'000
CARRYING AMOUNTS						
At 1 January 2013 (Audited)	530	761	338	1,203	473	3,305
Additions	134	–	–	–	89	223
Acquired through acquisition of a subsidiary	8	–	–	–	–	8
Disposals	(6)	–	–	–	(7)	(13)
Depreciation	(83)	(146)	(36)	(154)	(99)	(518)
Exchange alignment	7	9	4	16	1	37
At 30 June 2013 (Unaudited)	590	624	306	1,065	457	3,042

11. INVESTMENT PROPERTIES

	Investment properties		Total HK\$'000
	completed (at fair value)	under development (at cost)	
	HK\$'000	HK\$'000	
At 1 January 2013 (Audited)	216,015	15,807	231,822
Additions	1,346	602	1,948
Exchange alignment	3,059	226	3,285
Net increase in fair value recognised in profit or loss	2,824	–	2,824
At 30 June 2013 (Unaudited)	223,244	16,635	239,879

- (a) The investment properties represent interests in land held under medium term leases in the PRC and buildings erected or being erected thereon.
- (b) The fair value of investment properties has been arrived at on the basis of a valuation carried out by American Appraisal China Limited, an independent qualified valuer not connected with the Group. American Appraisal China Limited is a member of the Hong Kong Institute of Surveyors, and has appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The valuation was determined by comparison based on prices realised on actual sales or market price information of comparable properties of similar size, character and location.
- (c) The Group's property interests held under operating leases to earn rentals are measured using the fair value model and are classified and accounted for as investment properties.
- (d) Investment properties under development are carried at cost as the management of the Company considers the fair value of investment properties under development cannot be reliably determined due to some construction not even started yet at 30 June 2013.

12. PROPERTIES UNDER DEVELOPMENT

	30 June 2013 HK\$'000 (Unaudited)	31 December 2012 HK\$'000 (Audited)
Carrying amount	232,557	73,826

The properties under development are located in the PRC, expected to be completed beyond a year and held under medium-term lease.

The Group completed the acquisition of assets through acquisition of a subsidiary on 25 January 2013. Details of the acquisition are set out in note 18.

13. PREPAYMENT FOR ACQUISITION OF A SUBSIDIARY

The amount comprised a prepayment of RMB85,000,000 (equivalent to approximately HK\$106,837,000) and other capital outlay of approximately HK\$1,891,000 paid in relation to the acquisition of the 99.99% equity interests of 唐山市曹妃甸區中泰信和房地產開發有限公司 (Tangshan Caofeidian Zhongtai Xinhe Real Estate Company Limited*) (“Tangshan Caofeidain”) (formerly known as 唐海中泰信和房地產開發有限公司 (Tanghai Zhongtai Xinhe Real Estate Company Limited*)) (31 December 2012: HK\$108,641,000). The acquisition was completed on 25 January 2013. Details of the acquisition are stated in note 18.

14. TRADE RECEIVABLES

	30 June 2013 HK\$'000 (Unaudited)	31 December 2012 HK\$'000 (Audited)
Trade receivables	2,279	2,009

Trade receivables are derived from (i) sales of properties, consideration are paid in accordance with the terms of sale and purchase agreements, (ii) lease of properties, rental are paid in accordance with terms of rental agreement and (iii) provision of property management service, management service income are recognised in accordance with terms of service agreements. There are basically no credit terms for the sales of properties, the leases of properties and the management of properties businesses.

The aging analysis of trade receivables was as follows:

	30 June 2013 HK\$'000 (Unaudited)	31 December 2012 HK\$'000 (Audited)
0–30 days	256	9
31–60 days	37	9
61–90 days	–	9
Over 90 days	1,986	1,982
	2,279	2,009

The amount of trade receivables that are past due but not impaired is the same as above aging analysis of trade receivables.

Trade receivables that were past due but not impaired relate to a number of independent customers. The directors of the Company consider that no impairment allowance is necessary in respect of these balances as there was no impairment indication and the balances are still considered fully recoverable. The Group does not hold any collateral over those balances.

Provisions are applied to the receivables when there are events or changes in circumstances indicate that the balances may not be collectible. The directors of the Company closely review the trade receivable balances and any overdue balances on an ongoing basis and assessments are made by the directors of the Company on the collectability of overdue balances.

15. OTHER RECEIVABLES

	30 June 2013 <i>HK\$'000</i> (Unaudited)	31 December 2012 <i>HK\$'000</i> (Audited)
Deposits paid	737	15,201
Other receivables	11,390	16,010
Other prepayments	1,308	1,176
	13,435	32,387

16. TRADE PAYABLES

	30 June 2013 <i>HK\$'000</i> (Unaudited)	31 December 2012 <i>HK\$'000</i> (Audited)
Trade payables	31,452	31,908

The aging analysis of trade payables was as follows:

	30 June 2013 <i>HK\$'000</i> (Unaudited)	31 December 2012 <i>HK\$'000</i> (Audited)
0–30 days	1,085	–
31–60 days	270	–
Over 90 days	30,097	31,908
	31,452	31,908

17. SHARE CAPITAL

	Number of shares <i>'000</i>	Nominal value <i>HK\$'000</i>
Ordinary shares of HK\$0.01 each		
Authorised		
At 31 December 2012 (Audited) and 30 June 2013 (Unaudited)	20,000,000	200,000
Issue and fully paid		
At 31 December 2012 (Audited)	1,562,770	15,628
Issue of shares in respect of loan settlement (<i>note</i>)	203,225	2,032
At 30 June 2013 (Unaudited)	1,765,995	17,660

Note:

On 10 June 2013, 203,225,000 settlement shares were issued and allotted at HK\$0.305 per settlement share in full and final satisfaction of the Company's payment obligations in respect of part of the shareholder's loan in the amount of HK\$61,983,625. The settlement shares rank pari passu in all respects with the existing shares of the Company. Details of the issue of settlement shares were set out in the circular of the Company dated 21 May 2013.

18. ACQUISITION OF ASSETS THROUGH ACQUISITION OF A SUBSIDIARY

On 25 January 2013, the Group completed the acquisition of the 99.99% equity interest of 唐山市曹妃甸區中泰信和房地產開發有限公司 (Tangshan Caofeidian Zhongtai Xinhe Real Estate Company Limited*) ("Tangshan Caofeidian") (formerly known as 唐海中泰信和房地產開發有限公司 (Tanghai Zhongtai Xinhe Real Estate Company Limited*)) through a wholly-owned subsidiary at a consideration of approximately RMB104,490,000 (equivalent to approximately HK\$131,333,000). This transaction has been accounted for as an acquisition of assets as the acquisition does not meet the definition of a business combination.

Attributable value of assets and liabilities recognised at the date of acquisition:

	<i>HK\$'000</i>
Net assets acquired	
Properties under development	147,015
Property, plant and equipment	8
Bank balances and cash	1
Other receivables	11
Other payables and accrued charges	(1,291)
Amount due to a related company	(14,398)
Net assets	131,346
Non-controlling interest	(13)
Consideration	131,333
Satisfied by:	
Transfer from prepayment for acquisition of a subsidiary	106,837
Consideration payable	15,083
Cash	9,413
	131,333
Net cash outflow arising on acquisition:	
Cash consideration paid	9,413
Less: Bank balances and cash acquired	(1)
	9,412

19. OPERATING LEASE COMMITMENTS

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	30 June 2013 HK\$'000 (Unaudited)	31 December 2012 HK\$'000 (Audited)
Within one year	5,582	2,857
In the second to fifth years inclusive	2,433	1,254
After five years	7,062	7,027
	15,077	11,138

Rentals payable represent operating lease payments for certain land, office properties and quarters. Leases are negotiated for terms of one year to fifty years and initial rentals are fixed for one year to five years with adjustments fixed for every one year to five years. The Group does not have an option to purchase the leased asset at the expiry of the lease period.

The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

	30 June 2013 HK\$'000 (Unaudited)	31 December 2012 HK\$'000 (Audited)
Within one year	10,900	12,394
In the second to fifth years inclusive	7,294	4,082
After five years	9,618	540
	27,812	17,016

20. CAPITAL COMMITMENTS

	30 June 2013 HK\$'000 (Unaudited)	31 December 2012 HK\$'000 (Audited)
Capital expenditure in respect of the acquisition of plant and equipment contracted for but not provided for in the consolidated financial statements	897	23
Capital expenditure in respect of the construction and development of investment properties contracted for but not provided for in the consolidated financial statements	63,657	62,221
Capital expenditure in respect of the acquisition of a subsidiary contracted for but not provided for in the consolidated financial statements	–	24,477

21. RELATED PARTY TRANSACTIONS

(a) Compensation of key management personnel

Remuneration for key management personnel of the Group, including the Company's directors, is as follows:

	Six months ended 30 June	
	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)
Fees, salaries and other benefits	1,274	578

The remuneration of directors and key management is determined by the remuneration committee having regard to the performance of individuals and market trends.

(b) Amount due to a director

- (i) During the six months ended 30 June 2013, Mr. Huang Shih Tsai ("Mr. Huang"), a substantial shareholder, the Chairman and an Executive Director of the Company, has provided interest-free and unsecured loans to Company in the totally amount of approximately HK\$35,115,000 for funding the subsidiaries' working capital requirements (Six months ended 30 June 2012: HK\$7,902,000).

- (ii) On 22 April 2013, the Company and Mr. Huang entered into a settlement agreement (the “Settlement Agreement”), pursuant to which the Company has conditionally agreed to allot and issue 203,225,000 settlement shares (the “Settlement Shares”) at an issue price of HK\$0.305 per settlement share of HK\$0.01 each to Mr. Huang in full and final satisfaction of the Company’s payment obligation in respect of part of the loan in the amount of HK\$61,983,625 on the terms and subject to the conditions set out in the Settlement Agreement. The Settlement Shares rank pari passu in all respects with the existing shares of the Company.

The Settlement Agreement was approved by independent shareholders at the extraordinary general meeting held by the Company on 5 June 2013. All conditions precedent under the Settlement Agreement have been satisfied and the completion took place on 10 June 2013.

(c) Other transactions with related parties

- (i) On 23 January 2013, the Company granted 10,000,000 share options under the 2011 Share Option Scheme at the subscription price of HK\$0.44. All the share options granted will vest on 23 January 2015. Among the 10,000,000 share options, 5,000,000 share options were granted to the directors of the Company. Details of the share option scheme are stated in note 22.
- (ii) The Group has leased an office property from 大中華國際集團(中國)有限公司 (Great China International Group (China) Limited*) (the “GCI”) at a monthly rental payment of RMB28,913 since 1 February 2010 for a fixed term of three years. The Group has leased another office property from GCI at a monthly rental payment of RMB180,000 and a monthly management fees, air-conditioning and maintenance fees of RMB36,480 since 1 February 2013 for a fixed term of two years with a rental free period of three months commenced on 1 February 2013. GCI is indirectly wholly-owned by the Mr. Huang, a substantial shareholder, the Chairman and an Executive Director of the Company. Ms. Huang Wenxi, a substantial shareholder, the Chief Executive Officer and an Executive Director of the Company, is the authorised representative and the chairman of the board of GCI. The total rentals paid and payable by the Group to GCI for the six months ended 30 June 2013 amounted to approximately HK\$493,000 (Six months ended 30 June 2012: HK\$215,000).
- (iii) The Group has leased a car park space from GCI at a monthly rental payment of RMB1,300. The total rentals paid by the Group to GCI for the six months ended 30 June 2013 amounted to approximately HK\$10,000 (Six months ended 30 June 2012: HK\$18,000).
- (iv) As at 30 June 2013, the rental deposit paid of approximately HK\$74,000 (31 December 2012: HK\$73,000) to GCI and the rental prepayment of approximately HK\$10,000 (31 December 2012: HK\$2,000) to GCI, which are unsecured and non-interest bearing, are recorded in “other receivables”.

22. SHARE OPTIONS

The Company adopted a share option scheme on 23 May 2011 (the “2011 Share Option Scheme”).

The purpose of the 2011 Share Option Scheme is to reward participants who have contributed to the Group and to encourage participants to work towards enhancing the value of the Company and the shares for the benefit of the Company and the shareholders as a whole. The board of directors of the Company may, at its sole discretion, invite directors and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers of any member of the Group to take up options to subscribe for shares in the Company. The participants need to remit HK\$1 as consideration for the grant of an option.

The 2011 Share Option Scheme is adopted for a period of 10 years commencing on 23 May 2011. The option period shall not exceed 10 years from the date of grant of option. There is no minimum period for which an option must be held before it can be exercised.

The maximum number of shares which may be granted under the 2011 Share Option Scheme must not in aggregate exceed 10% of the shares in issue as at the date of adoption of the 2011 Share Option Scheme or the date of approval by the shareholders in general meeting where the limit is refreshed. The maximum number of shares issued and to be issued upon exercise of the options granted and to be granted to each individual in any 12-month period up to and including the date of grant shall not exceed 1% of the shares in issue at the date of grant unless approval from Company's shareholders has been obtained. Options granted to a substantial shareholder or an independent non-executive director of the Company in excess of 0.1% of the total number of shares in issue or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

Options may be exercised at any time during the specified option period. The exercise price shall be determined by the board of directors of the Company, and shall be at least the highest of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the Company's shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares. The maximum number of shares which may be issued upon exercise of all options granted and yet to be exercised under the 2011 Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Company's shares in issue from time to time.

Details of the share options granted by the Company under the 2011 Share Option Scheme are as follows:

Date of grant	Exercisable period	Number of share options granted	Exercise price <i>HK\$</i>	Fair value at grant date <i>HK\$</i>
23 January 2013	23 January 2015 to 22 January 2023	10,000,000	0.44	0.292

The fair value of the share options granted was HK\$0.292 per option and the Group recognised a share-based payment expense of approximately HK\$644,000 during the six months ended 30 June 2013 (Six months ended 30 June 2012: Nil).

The fair value of the share options granted at the date of grant was calculated using the Black-Scholes Option Pricing Model. The inputs into the model were as follows:

Expected volatility:	58.690%
Risk-free rate:	0.975%
Expected life of option:	8 years

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other feature of the share options granted was incorporate into measurement of the fair value.

Details of the movement of the Company's share options during the six months ended 30 June 2013 are as follows:

Name or Category of participant	Date of grant	Exercise price per share HK\$	Exercisable period	Number of Shares in respect of Options				
				Outstanding at 1 January 2013	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at 30 June 2013
Directors:								
Huang Shih Tsai	23/1/2013	0.44	23/1/2015-22/1/2023	-	1,000,000	-	-	1,000,000
Huang Wenxi	23/1/2013	0.44	23/1/2015-22/1/2023	-	1,000,000	-	-	1,000,000
Cheng Hong Kei	23/1/2013	0.44	23/1/2015-22/1/2023	-	1,000,000	-	-	1,000,000
Leung Kwan, Hermann	23/1/2013	0.44	23/1/2015-22/1/2023	-	1,000,000	-	-	1,000,000
Lum Pak Sum	23/1/2013	0.44	23/1/2015-22/1/2023	-	1,000,000	-	-	1,000,000
			Subtotal	-	5,000,000	-	-	5,000,000
Employees:								
In aggregate	23/1/2013	0.44	23/1/2015-22/1/2023	-	5,000,000	-	-	5,000,000
			Total	-	10,000,000	-	-	10,000,000

23. CONTINGENT LIABILITIES

A subsidiary of the Group (the “Subsidiary”) has entered into sale and purchase agreements with certain buyers in respect of sale of properties. Pursuant to the terms of each agreement, the Subsidiary is liable to make a compensation payment to the buyers, upon default in the delivery of property to the buyers on a specific date, calculated in accordance with the terms stated in the agreements.

As at 30 June 2013, 27 buyers, who did not agree the compensation amount provided by the Subsidiary, had taken legal actions to demand a higher compensation, approximately HK\$2,514,000 in aggregate, above the amount of approximately HK\$1,443,000 which was calculated in accordance with the relevant sale and purchase agreements as the Subsidiary was not able to deliver the properties.

Up to the date of this report, the outcome of the claims is still uncertain. The directors of the Company consider that the amount of compensation, which was calculated in accordance with the terms of the sale and purchase agreements, should be approximately HK\$1,443,000. Furthermore, the directors of the Company consider that the amount of the compensation is unlikely to be higher than that requested by those 27 buyers.

The directors of the Company consider it is premature and not practical to draw a conclusion of the outcome of the claims and of the ultimate liability, if any, which is not expected to have a material adverse impact on the Group’s financial position. Therefore, only an amount of approximately HK\$1,443,000 (Six months ended 30 June 2012: Nil) is provided for and included in other payables and accrued charges, no further provision was made after 30 June 2013.

The Group had no other significant contingent liabilities as at 30 June 2013.

24. EVENTS OCCURRING AFTER THE REPORTING DATE

On 3 July 2013, a wholly-owned subsidiary of the Company, Stand Gold Limited entered into a sale and purchase agreement with Mr. Huang Shih Tsai, a substantial shareholder, the Chairman and an Executive Director of the Company, to acquire the entire share capital of Prime Rosy Limited (the “Proposed Acquisition”) at a consideration of RMB476,900,000 (equivalent to approximately HK\$572,280,000). The Proposed Acquisition was approved by the resolution passed at the extraordinary general meeting held by the Company on 12 August 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

Results

For the six months ended 30 June 2013, the Group recorded a turnover of approximately HK\$19,493,000, representing an increase of approximately 1.80 times as compared to the turnover of approximately HK\$6,972,000 for the corresponding period of last year. The increase in turnover was mainly resulted from the additional revenue generated from the sales of the residential portion of 東方新天地大廈 (Great China Eastern New World Square*) (“Eastern New World Square”) commenced in May 2013.

Loss attributable to the shareholders was approximately HK\$13,469,000 for the six months ended 30 June 2013, representing an increase of approximately 1.95 times as compared to the loss attributable to the shareholders of approximately HK\$4,573,000 recorded in the corresponding period of last year. The increase in the loss was mainly resulted from the increase in the administrative and operating expenses and the selling and distribution expenses.

BUSINESS REVIEW

Property Development and Investment Businesses

The Gold Coast Project

The Company, through its indirect wholly-owned PRC subsidiary, owns a resort located in Baian Peninsula, Houmen Town, Haifeng County, Shanwei City, Guangdong Province, the PRC (the “Gold Coast Resort”).

After the expiry of the tenancy agreement dated 10 October 2008 and two supplemental tenancy agreements dated 29 December 2008 and 9 March 2009 with an independent third party, the Group has entered into an agreement dated 29 March 2012 to extend the leasing period of Gold Coast Resort for a term of two years commencing from 1 April 2012 with a fixed monthly rental income of RMB800,000.

On 16 August 2012, 海豐金麗灣度假村有限公司 (Haifeng Jinliwan Resort Company Limited*) (“Gold Coast PRC”) received confirmation that it was successful in a bid in the open tender of the land use right to the two pieces of land situated at 中國廣東省汕尾市海豐縣鮎門鎮百安村委 (Baian Village, Houmen Town, Haifeng County, Shanwei City, Guangdong Province, the PRC*) with an aggregate area of approximately 97,069 square meters (the “Land”, consisting of two sites, site “A” with an area of approximately 55,130 square meters and site “B” with an area of approximately 41,939 square meters) held by 海豐縣土地交易所 (Haifeng County Land Exchange*) (the “Land Exchange”) between 27 July 2012 and 15 August 2012, to acquire the land use right of the Land at an aggregate consideration of RMB54.359 million (equivalent to approximately HK\$69,226,000).

Following the successful bidding for the land use right of the Land, Gold Coast PRC entered into two confirmation letters with the Land Exchange on 16 August 2012 to confirm the successful bid for the Land and the related payment terms for the transfer of land use right of the Land. Gold Coast PRC has entered into two land use right transfer contracts (the “Land Use Right Transfer Contracts”) with 海豐縣國土資源局 (Haifeng County Land Resources Bureau*) on 16 August 2012 which require Gold Coast PRC to ensure that the development of the Land is in accordance with the relevant PRC rules

and regulations and that such development commences within 2 years from the date of the Land Use Right Transfer Contracts. In the event that development on the Land has not commenced after a period of 2 years from the date of the Land Use Right Transfer Contracts, the land use right of the Land will be revoked.

Gold Coast PRC has also entered into two state-owned construction land use right grant contracts with Haifeng County Land Resources Bureau on 27 August 2012 which confirmed that the land use right of the Land has been granted for a term of 40 years for commercial use and 70 years for residential use.

The Group intends to expand the development of the Gold Coast Resort on the Land which is near to the Gold Coast Resort.

The Gold Coast PRC has completed the construction of water supply pipes connecting 鮑門鎮 (Houmen Town*) and 梅隴鎮平安洞 (Meilong Town Pinandong*) in March 2010 with a total cost of approximately HK\$6,934,000 to address water supply and shortage problems in the 鮑門鎮 (Houmen Town*) area where the Gold Coast Resort is located. Extension of the operation of the water supply pipes to supply water to the local villages near the Gold Coast Resort will be considered when business opportunity arises.

Gold Coast PRC had entered into a construction contract dated 16 June 2010 and two supplemental agreements dated 10 December 2010 and 13 January 2011, respectively, with an independent third party, 深圳市焯楠建築裝飾工程有限公司 (Shenzhen Zhuonan Construction and Decoration Company Limited*) (the "Constructor"), for the construction and renovation of the Gold Coast Resort at a contract price of RMB55,000,000 (equivalent to approximately HK\$70,043,000). As at the date of this report, Gold Coast PRC paid approximately RMB30,976,000 (equivalent to approximately HK\$39,448,000) to the Constructor as a prepayment of the contract sum. As the design for the construction and renovation of the Gold Coast Resort is still under modification, the commencement date of the renovation works is still not yet fixed.

The Tanghai County Project

The Group entered into a sale and purchase agreement dated 27 September 2010 (the "Tanghai Acquisition Agreement") with independent third parties in relation to the acquisition of 99.99% equity interest of 唐山市曹妃甸區中泰信和房地產開發有限公司 (Tangshan Caofeidian Zhongtai Xinhe Real Estate Company Limited*) ("Tangshan Caofeidian") (formerly known as 唐海中泰信和房地產開發有限公司 (Tanghai Zhongtai Xinhe Real Estate Company Limited*)) (the "Tanghai Acquisition"), further details of the Tanghai Acquisition are set out in the Company's circular dated 25 November 2010.

The Tanghai Acquisition was approved by the shareholders at the extraordinary general meeting of the Company held on 13 December 2010. All conditions precedent to the Tanghai Acquisition Agreement have been satisfied and completion of the Tanghai Acquisition took place on 25 January 2013. Following the completion, Tangshan Caofeidian has become an indirect subsidiary of the Company and the financial results of Tangshan Caofeidian were consolidated into the financial statements of the Group.

The Group has paid a total sum of approximately RMB92,490,000 (equivalent to approximately HK\$116,250,000) as consideration of the Tanghai Acquisition. The vendors of Tangshan Caofeidian are subject to pay the PRC individual income tax derived from the transfer of the equity interest of Tangshan Caofeidian. As at the date of completion of the Tanghai Acquisition, such PRC individual income tax had not been settled. It was agreed by the vendors that they will not require the Company to pay the remaining portion of the consideration of RMB12,000,000 (equivalent to approximately HK\$15,083,000) until the outstanding PRC individual income tax is settled by them.

The Group has appointed several external firms to conduct reconnaissance and began designing work. As at the date of this report, the Group is at the preliminary stage to plan and design the ecological leisure living area or resort area.

The Daya Bay Project

On 8 June 2012, Asiatic Talent Limited (“Asiatic”), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (the “Sale and Purchase Agreement”) with Mr. Huang Shih Tsai (“Mr. Huang”), pursuant to which Asiatic has conditionally agreed to acquire and Mr. Huang has conditionally agreed to sell the entire issued share capital of Guo Rong Limited (“Guo Rong”) at a consideration of RMB230,000,000 (subject to downward adjustments, if any) (equivalent to approximately HK\$282,900,000 and subject to corresponding downward adjustments, if any) (the “Daya Bay Acquisition”).

The core assets under the Daya Bay Acquisition was Eastern New World Square, which is a comprehensive property development project with a total gross floor area of approximately 69,171.7 sq.m. located at No.1 Zhongxing Zhong Road, Aotou Town, Daya Bay, Huizhou City, Guangdong Province, the PRC.

The Daya Bay Acquisition constituted a very substantial acquisition and a connected transaction for the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). Accordingly, the Daya Bay Acquisition was subject to the reporting, announcement and the independent shareholders’ approval requirements set out in the Listing Rules. The Daya Bay Acquisition was approved by independent shareholders at the extraordinary general meeting held by the Company on 20 August 2012. All conditions precedent under the Sale and Purchase Agreement have been satisfied and completion of the Daya Bay Acquisition took place on 14 December 2012.

Following the completion, Guo Rong has become an indirect subsidiary of the Company and the financial results of Guo Rong and its subsidiaries were consolidated into the financial statements of the Group.

The Company had paid a sum of HK\$5,000,000 in cash as refundable deposit to Mr. Huang upon the signing of the Sale and Purchase Agreement. A total of 403,203,504 consideration shares were issued at the issue price of HK\$0.20 per share (fair value of which at the date of issue was HK\$0.28 per share) as partial consideration (being a sum of HK\$80,640,701) to Mr. Huang upon completion of the Daya Bay Acquisition.

Pursuant to the Sale and Purchase Agreement, the consideration is subject to downward adjustment, details of which are set out in the Company's circular dated 25 July 2012. The downward adjustment resulted in an amount of approximately HK\$6,276,000 which Mr. Huang would repay (without interest) in cash to Asiatic within 30 days of receipt of the adjustment notice issued by Asiatic.

The selling of the residential portion of Eastern New World Square has commenced in May 2013 and the revenue generated has contributed to the turnover of the Group for the six months ended 30 June 2013.

The Shanwei Projects

On 3 July 2013, Stand Gold Limited ("Stand Gold"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Mr. Huang, pursuant to which Stand Gold has conditionally agreed to purchase from Mr. Huang and Mr. Huang has conditionally agreed to sell to Stand Gold the entire issued share capital of Prime Rosy Limited ("Prime Rosy") at a consideration of RMB476,900,000 (equivalent to approximately HK\$572,280,000) which will be settled in full by the allotment and issuance of 1,546,702,702 new shares to Mr. Huang upon completion of the acquisition (the "Shanwei Projects Acquisition"). Details of the Shanwei Projects Acquisition are set out in the announcement of the Company dated 3 July 2013 and the circular of the Company dated 26 July 2013.

The core assets under the Shanwei Projects Acquisition are Jin Bao Cheng Project and Hong Hai Bay Project (as defined below respectively).

(1) Jin Bao Cheng Project

Jin Bao Cheng Project contains two parcels of land located on 中國廣東省汕尾市區汕尾大道 (Shanwei Main Road, Shanwei City, Guangdong Province, the PRC*), with a total site area of approximately 50,656 sq.m. and three 12-storey close to completion residential blocks erected thereon, among which, (a) one parcel of land is located on the vicinity of 汕尾大道香洲頭地段西側與紅海大道交界口 (the junction of the western side of Shanwei Main Road, Xiangzhoutou Section and Honghai Main Road*), and (b) one parcel of land is located on the vicinity of 汕尾大道荷包嶺段西側實力汽車修配廠後面與紅海大道交界口 (the junction of the western side of Shanwei Main Road, Hebaoling Section, behind the Shili Car Repair Factory and Honghai Main Road*).

Both the residential and the retail portion of the three close to completion buildings are expected to be completed and commence presale by the end of 2013. Development of the remaining portion of Jin Bao Cheng Project is expected to be completed by the third quarter of 2015.

(2) Hong Hai Bay Project

Hong Hai Bay Project contains four parcels of land located on the vicinity of the junction of No. S241 Province Road and No. X141 County Road Shanwei City, Guangdong Province, the PRC with a total site area of approximately 273,534.2 sq.m., among which, (a) one parcel of land is located on 遮浪南澳旅遊區「湖仔山」東側 (the east of Wuzishan, Zhelang Nanao Tourist Area*), (b) one parcel of land is located on 遮浪街道宮前南澳路東 (Gongqian Nanao Road East, Zhelangjiedao*); and (c) two parcels of land are located on 遮浪街道南澳旅遊區灣灘坑 (Wantankeng, Zhelangjiedao Nanao Tourist Area*).

It is the Board's current intention to develop Hong Hai Bay Project into a tourist and entertainment complex with residential development with a total gross floor area of approximately 720,000 sq.m.. Development of Hong Hai Bay Project is expected to be completed in the period from the end of 2014 to the second quarter of 2019 by stage.

The Shanwei Projects Acquisition constituted a major and connected transaction for the Company under the Listing Rules. Accordingly, the Shanwei Projects Acquisition was subject to the reporting, announcement and the independent shareholders' approval requirements set out in the Listing Rules. The Shanwei Projects Acquisition was approved by independent shareholders at the extraordinary general meeting held by the Company on 12 August 2013. As at the date of this report, the Shanwei Projects Acquisition has not yet completed. Further announcement(s) in relation to the Shanwei Projects Acquisition will be issued as and when appropriate.

Change of Company Name

On 14 January 2013, the Board proposed to change the English name of the Company from "Waytung Global Group Limited" to "Great China Properties Holdings Limited" and the Chinese name of the Company from "滙通天下集團有限公司" to "大中華地產控股有限公司" (the "Change of Company Name"). The Board considered that the Change of Company Name can more accurately reflect the principal activities of the Group and provide the Company with a new corporate image and identity. The Change of Company Name was approved by the shareholders at the extraordinary general meeting held by the Company on 7 February 2013. The Certificate of Change of Name was issued by the Registrar of Companies in Hong Kong on 5 March 2013 confirming that the Change of Company Name has become effective.

Upon the effective of the Change of Company Name, the logo of the Company has been changed accordingly. The website of the Company has been changed to www.greatchinaproperties.com with effect from 6 March 2013. The stock short names for trading in the shares of the Company on the Stock Exchange has been changed from "WAYTUNG GLOBAL" to "GREAT CHI PPT" in English and from "滙通天下" to "大中華地產控股" in Chinese, both with effect from 12 March 2013. The stock code of the Company on the Stock Exchange remains unchanged as "21". Details are set out in the announcement of the Company dated 7 March 2013.

Continuing Connected Transaction – Property Leasing Agreement

On 31 January 2013, 滙通天下控股(中國)有限公司 (Waytung Global Holding (China) Limited*) (“Waytung China”), a wholly-owned subsidiary of the Company, entered into a property leasing agreement with 大中華國際集團(中國)有限公司 (Great China International Group (China) Limited*) (“GCI”) in relation to the leasing of an office from GCI for a term of two years commencing from 1 February 2013. Waytung China shall pay a monthly rental of RMB180,000 and a monthly management fee, air-conditioning and maintenance fees of RMB36,480. The rent free period commenced from 1 February 2013 for 3 months to 30 April 2013. GCI is indirectly wholly-owned by Mr. Huang Shih Tsai, a substantial shareholder, the Chairman and an Executive Director of the Company. Ms. Huang Wenxi, a substantial shareholder, the Chief Executive Officer and an Executive Director of the Company, is the authorised representative and the chairman of the board of GCI.

As such, GCI is a connected person of the Company. Accordingly, the transaction constitutes a continuing connected transaction of the Company.

BUSINESS OUTLOOK

Looking into the second half of 2013, although the global economy is expected to regain momentum, uncertainties still prevail. Despite the low visibility of the market outlook, the government continues to implement policies to promote consumption and urbanization which drive strong end user demand. These factors are expected to prop up the future development of the property market.

Riding on its new corporate image as a property investor and developer in the mid- to high-end commercial and tourism property space, the Group kept its focus on developing its existing projects into world-class tourist destinations.

Leveraging on its quality projects, the Company is well-poised to benefit from gradual economic recovery and rising demand for tourism real estate. It will also strive to enhance its overall economy of scale and enhance investment returns, so as to generate better returns for our shareholders and become a leading commercial property developer in the PRC.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 June 2013, bank balances and cash of the Group amounted to approximately HK\$12,935,000 (31 December 2012: HK\$22,955,000). The Group's total current assets as at 30 June 2013 amounted to approximately HK\$220,058,000, which comprised completed properties held for sale, trade receivables, other receivables, held for trading investments, bank balances and cash. The Group's total current liabilities as at 30 June 2013 amounted to approximately HK\$172,844,000, which comprised trade payables, other payables, deposit received, accrued charges, amounts due to related companies and amount due to a director.

On 10 June 2013, 203,225,000 shares were issued and allotted to Mr. Huang at an issue price of HK\$0.305 each by the Company in settlement of part of the shareholders' loan advanced to the Company by Mr. Huang in the amount of HK\$61,983,625 pursuant to the settlement agreement dated 22 April 2013 entered into by the Company and Mr. Huang.

CAPITAL COMMITMENT

As at 30 June 2013, the Group had a total capital commitment of approximately HK\$64,554,000, contracted for but not provided for in the financial statements, which comprised (i) approximately HK\$897,000 in respect of the acquisition of plant and equipment and (ii) approximately HK\$63,657,000 in respect of the construction and development of investment properties.

CHARGES ON ASSETS

As at 30 June 2013, the Group had not charged any of its assets.

EMPLOYEES

As at 30 June 2013, the Group employed 91 employees (excluding directors) (31 December 2012: 49 employees) and the related staff costs for the six months ended 30 June 2013 amounted to approximately HK\$4,978,000 (six months ended 30 June 2012: approximately HK\$1,780,000). Staff remuneration packages, which are reviewed annually, include salary/wage and other benefits, such as medical insurance coverage, provident fund and share options.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 23 May 2011 (the "2011 Share Option Scheme"). Particulars of share options outstanding under the 2011 Share Option Scheme at the beginning and at the end of the financial period for the six months ended 30 June 2013 and share options granted, exercised, lapsed or cancelled under the 2011 Share Option Scheme during such period are as follows:

Participants	Date of grant	Exercise period of share options	Exercise price of share options HK\$	Number of share options held as at 1 January 2013	Granted during the six months ended 30 June 2013	Exercised during the six months ended 30 June 2013	Lapsed/ cancelled during the six months ended 30 June 2013	Number of share options held as at 30 June 2013
Directors								
Mr. Huang Shih Tsai	23/1/2013	23/1/2015 to 22/1/2023	0.440	-	1,000,000	-	-	1,000,000
Ms. Huang Wenxi	23/1/2013	23/1/2015 to 22/1/2023	0.440	-	1,000,000	-	-	1,000,000
Mr. Cheng Hong Kei	23/1/2013	23/1/2015 to 22/1/2023	0.440	-	1,000,000	-	-	1,000,000
Mr. Leung Kwan, Hermann	23/1/2013	23/1/2015 to 22/1/2023	0.440	-	1,000,000	-	-	1,000,000
Mr. Lum Pak Sum	23/1/2013	23/1/2015 to 22/1/2023	0.440	-	1,000,000	-	-	1,000,000
Sub-total				-	5,000,000	-	-	5,000,000
Employees	23/1/2013	23/1/2015 to 22/1/2023	0.440	-	5,000,000	-	-	5,000,000
Total				-	10,000,000	-	-	10,000,000

As at 30 June 2013, the Company had 10,000,000 share options outstanding under the 2011 Share Option Scheme.

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

As at 30 June 2013, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, were as follows:

Long positions in the shares and underlying shares of the Company

Name of Directors	Capacity in which interest are held	Number of Shares/underlying Shares interested				Total	Approximate percentage of the issued share capital of the Company (Note 1)
		Personal interests	Corporate interests	Underlying interests			
Mr. Huang Shih Tsai (Note 2)	Beneficial Owner	619,428,504	–	38,000,000	657,428,504	37.23%	
Ms. Huang Wenxi (Note 3)	Beneficial Owner	353,667,996	282,133,413	1,000,000	636,801,409	36.06%	
Mr. Cheng Hong Kei (Note 4)	Beneficial Owner	–	–	1,000,000	1,000,000	0.06%	
Mr. Leung Kwan, Hermann (Note 4)	Beneficial Owner	–	–	1,000,000	1,000,000	0.06%	
Mr. Lum Pak Sum (Note 4)	Beneficial Owner	–	–	1,000,000	1,000,000	0.06%	

Notes:

- The percentage shareholding in the Company is calculated on the basis of 1,765,995,704 Shares in issue as at 30 June 2013.
- The interest disclosed represents (i) Mr. Huang's personal interest in 619,428,504 shares; (ii) underlying interests in the remaining 37,000,000 underlying shares pursuant to an option deed dated 31 August 2009 entered into between Mr. Huang and CCB International Asset Management Limited; and (iii) 1,000,000 unlisted physically settled options granted pursuant to the 2011 Share Option Scheme.
- The interest disclosed represents (i) Ms. Huang's personal interest in 353,667,996 shares; (ii) 282,133,413 shares held by Brilliant China Group Limited which is 100% owned by Ms. Huang; and (iii) 1,000,000 unlisted physically settled options granted pursuant to the 2011 Share Option Scheme.
- The relevant interests are unlisted physically settled options granted pursuant to the 2011 Share Option Scheme.

Save as disclosed above, none of the Directors and chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 30 June 2013, so far as is known to any Director or chief executive of the Company, the following person (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

Long positions in the shares of the Company

Name of Shareholder	Nature of interest/Capacity	Number of Shares interested	Approximate percentage of the issued share capital of the Company <i>(Note 1)</i>
Brilliant China Group Limited	Corporate <i>(Note 2)</i>	282,133,413	15.97%

Notes:

- The percentage shareholding in the Company is calculated on the basis of 1,765,995,704 Shares in issue as at 30 June 2013.
- Brilliant China Group Limited ("Brilliant China") is a company 100% owned by Ms. Huang Wenxi. By virtue of the SFO, Ms. Huang is deemed to be interested in 282,133,413 Shares held by Brilliant China. Ms. Huang is the sole director of Brilliant China.

Save as disclosed above, as at 30 June 2013, the Company has not been notified of any other person (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2013.

CORPORATE GOVERNANCE

The Company has adopted and complied generally with the code provisions of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2013.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transaction by Directors of listed companies (the "Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors. Having made specific enquiry of all directors, they confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2013.

CHANGE OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Huang Shih Tsai has been re-designated from a non-executive Director to an executive Director with effect from 5 April 2013. Save as disclosed above, there is no change in the composition of the board of directors nor the senior management of the Company during the six months ended 30 June 2013.

CHANGES OF INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, changes of information of the Directors of the Company are listed as follows:

1. Mr. Lum Pak Sum no longer served as an independent non-executive director of Bestway International Holdings Limited (listed on the Main Board of the Stock Exchange, stock code: 0718) since 31 May 2013; and
2. Ms. Huang Wenxi's remuneration package has been adjusted to (i) director's fee of HK\$12,500 per month; (ii) salary of HK\$69,500 per month; and (iii) a place of residence provided by the Company (if so requested) with monthly expense (including all relevant expense such as the rental fees, gas, water, electricity, telephone/fax charges, rates and management fees etc.) of not more than HK\$40,000 since 1 February 2013.

Saved as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

AUDIT COMMITTEE

Pursuant to the requirements of the Corporate Governance Code and the Listing Rules, the Company has established an audit committee (the "Audit Committee") comprising all three Independent Non-executive Directors, namely Mr. Cheng Hong Kei (Chairman of the Audit Committee), Mr. Leung Kwan, Hermann and Mr. Lum Pak Sum. The Audit Committee of the Company has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2013.

By order of the board of directors
Great China Properties Holdings Limited
Huang Shih Tsai
Chairman

Hong Kong, 29 August 2013

As at the date of this report, the directors of the Company are as follows:

Executive Directors	Mr. Huang Shih Tsai (<i>Chairman</i>) Ms. Huang Wenxi (<i>Chief Executive Officer</i>)
Independent Non-executive Directors	Mr. Cheng Hong Kei Mr. Leung Kwan, Hermann Mr. Lum Pak Sum