



DYNAMIC HOLDINGS LIMITED

達力集團有限公司

(Incorporated in Bermuda with limited liability)

Stock Code: 29

INTERIM REPORT

2014/15





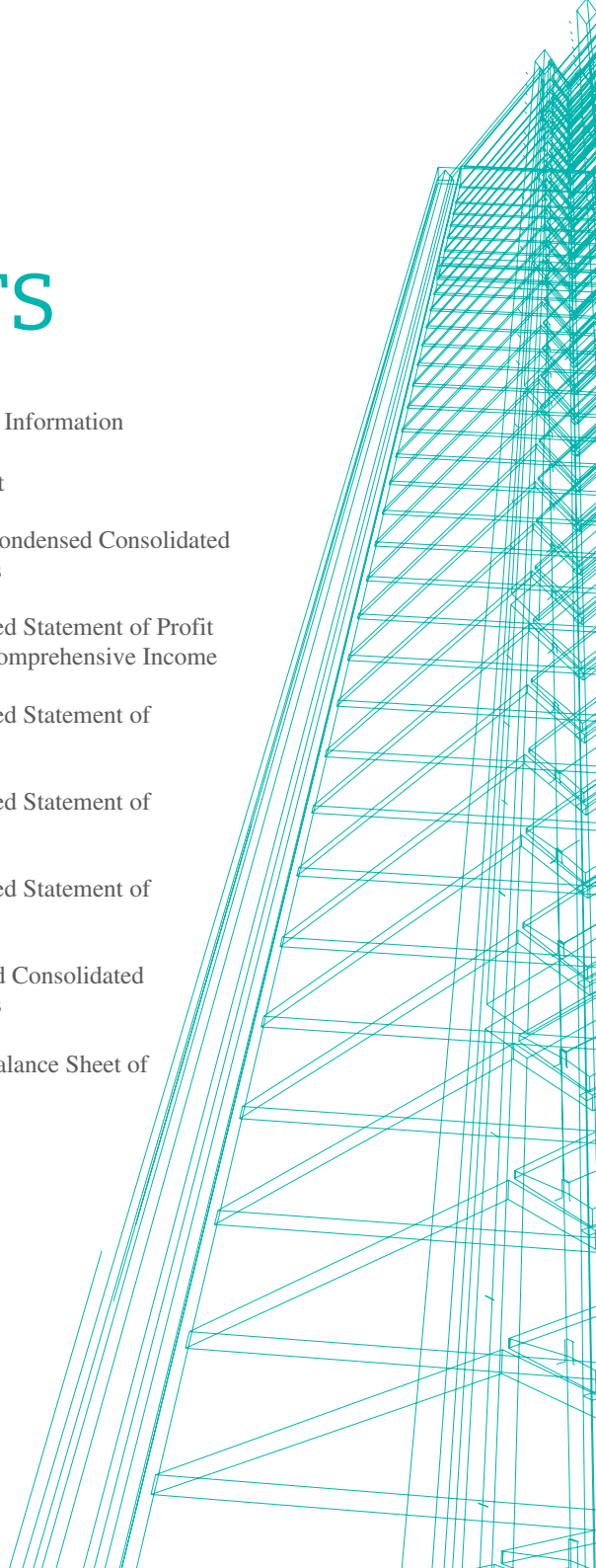
www.dynamic.hk



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CORPORATE AND INVESTOR INFORMATION

DIRECTORS

Executive Directors

TAN Harry Chua, *Chairman*
CHAN Wing Kit, Frank,
Chief Executive Officer
TAN Lucio Jr. Khao
TAN Michael Gonzales
CHEUNG Chi Ming
PASCUAL Ramon Sy
CHIU Siu Hung, Allan
WONG Sai Tat

Independent Non-executive Directors

CHONG Kim Chan, Kenneth
SY Robin
FOK Kam Chu, John
GO Patrick Lim

REMUNERATION COMMITTEE

CHONG Kim Chan, Kenneth, *Chairman*
TAN Harry Chua
CHAN Wing Kit, Frank
SY Robin
FOK Kam Chu, John

COMPANY SECRETARY

WONG Oi Yee, Polly

AUDIT COMMITTEE

CHONG Kim Chan, Kenneth, *Chairman*
SY Robin
FOK Kam Chu, John
GO Patrick Lim

NOMINATION COMMITTEE

TAN Harry Chua, *Chairman*
CHAN Wing Kit, Frank
CHONG Kim Chan, Kenneth
SY Robin
FOK Kam Chu, John

AUDITORS

Deloitte Touche Tohmatsu

LEGAL ADVISERS

Deacons
Appleby
King & Wood Mallesons
Global Law Office

PRINCIPAL BANKERS

Hang Seng Bank Limited
Industrial and Commercial
Bank of China Limited
China Merchants Bank Co., Ltd.
Bank of China Limited
Bank of Communications Co., Ltd.
Hua Xia Bank Limited

Corporate And Investor Information *(Continued)***STOCK CODE**

029

SHARE REGISTRAR*Principal Share Registrar*

MUFG Fund Services (Bermuda)
Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

Branch Share Registrar

Tricor Tengis Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

WEBSITES

<http://www.dynamic.hk>
<http://www.irasia.com/listco/hk/dynamic>

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

**PRINCIPAL PLACE OF
BUSINESS**

17th Floor, Eton Tower
8 Hysan Avenue
Causeway Bay
Hong Kong

**REPRESENTATIVE OFFICE IN
SHENZHEN**

Unit 1321, Shenzhen Kerry Centre
2008 Renminnan Road, Shenzhen
The People's Republic of China

FINANCIAL CALENDAR

Last Registration Date for Interim Dividend	10 April 2015
Book-close Dates	13 April 2015 – 17 April 2015 (both days inclusive)
Record Date for Interim Dividend	17 April 2015
Payment of Interim Dividend	29 April 2015

MANAGEMENT STATEMENT

The board (the “**Board**”) of directors (the “**Directors**”) of Dynamic Holdings Limited (the “**Company**”) hereby present their management statement and the unaudited condensed consolidated financial statements of the Company and its subsidiaries (the “**Group**”) for the six months ended 31 December 2014, which have been reviewed by external auditor of the Company, Deloitte Touche Tohmatsu.

INTERIM RESULTS

For the six months ended 31 December 2014, the Group reported a turnover of HK\$51,468,000 (2013: HK\$57,483,000) and a gross profit of HK\$39,844,000 (2013: HK\$44,075,000). These results were principally attributable to the improved rental income of investment properties of the Group, which rose by 7% as compared with that of the last corresponding period and explained below. Both the turnover and gross profit dropped by 10%, as compared with those of the last corresponding period, owing to reduced proceeds from sale of remaining properties of the Group held for sale.

During the period under review, the Group accounted for other income of HK\$12,930,000 (2013: HK\$13,343,000) mainly inclusive of interest income and exchange gain. In addition, the Group recognised an aggregate increase of HK\$29,897,000 (2013: HK\$32,178,000) in the fair value of its investment properties for the period.

And the profit for the period attributable to shareholders of the Company was HK\$55,434,000 (2013: HK\$59,227,000), which dropped by 6% as compared with that of the last corresponding period, with basic earnings per share of HK\$0.2527 (2013: HK\$0.2699).

Together with other comprehensive income of exchange difference on translation to presentation currency, the total comprehensive income attributable to shareholders of the Company amounted to HK\$67,571,000 (2013: HK\$83,798,000).

SEGMENT INFORMATION

Details of the segment information of the Group’s turnover and results by reportable segment for the period are set out in note 3 to the condensed consolidated financial statements.

INTERIM DIVIDEND

The Directors have declared an interim dividend of 2.5 Hong Kong cents (2013: 2.5 Hong Kong cents) per share for the six months ended 31 December 2014 to the shareholders of the Company whose names appear on the register of members on 17 April 2015. The warrants for the interim dividend are expected to be despatched to those entitled on or about 29 April 2015.

Management Statement *(Continued)*

BUSINESS REVIEW

In the period under review, the turnover and results of the Group were principally derived from its operating segment in terms of property rental in the mainland China.

The rental income of the Group generated from its investment properties in two major cities, Shanghai and Beijing amounted to HK\$51,468,000 (2013: HK\$48,104,000), which represented all (2013: 84%) of the consolidated revenue income of the Group in the period and an increase of 7% from that of the last corresponding period. And these investment properties of the Group comprising shopping mall and carparks in Beijing and office units in Shanghai appreciated in the sum of HK\$29,897,000 (2013: HK\$32,178,000) in the period. As such, the segment results of property rental showed a profit of HK\$69,756,000 (2013: HK\$68,921,000).

In Beijing, the rental income generated from the well-established community mall of the Group known as “Uptown Mall” in Chaoyang District slightly improved after optimised the use of basement floor as food court during the period. In addition, it attained high level of occupancy while the segment reported rental income of HK\$18,329,000 (2013: HK\$17,980,000) and increased fair value of HK\$8,452,000 (2013: HK\$10,726,000), contributing to a profit of HK\$21,519,000 (2013: HK\$22,224,000) in the segment results of property rental in the period. Due to limited residential units held for sale by the Group and prevailing cooling sentiment of residential market in Beijing, the proceeds of property sales of the Group amounted to nil (2013: HK\$9,379,000) making an administrative loss of HK\$166,000 (2013: a profit of HK\$7,215,000) in the segment results of property sales in the period.

In Shanghai, leasing demand from local financial sector for quality office space in Pudong remained active. Thereby, the quality offices of the Group known as “Eton Place” which is in the prominent financial location of Little Lujiazui of Pudong attained virtually full occupancy with an improved rental in the sum of HK\$33,139,000 (2013: HK\$30,124,000) in the period, showing a moderate increase of 10% from that of the last corresponding period and appreciated fair value in the sum of HK\$21,445,000 (2013: HK\$21,452,000). And these segment results recorded a total profit of HK\$48,237,000 (2013: HK\$46,697,000) in the period.

Regarding Shenzhen Zhen Wah Harbour Enterprises Ltd. (“**Zhen Wah**”), a joint venture in which the Company holds 49% stake, Zhen Wah ceased business operations after its operation period expired in January 2014. Zhen Wah has been winding down its activities, including dealing with tenants’ claims and litigations.

Management Statement *(Continued)*

BUSINESS REVIEW *(Continued)*

Zhen Wah holds a piece of land located in Tung Kok Tau, Nanshan District, Shenzhen (the “**Land**”). The joint venture partners of Zhen Wah have been working on a master proposal for feasibility and comprehensive planning and design of the Land (the “**Proposal**”) and negotiating with relevant government departments on various aspects of the draft Proposal, which include compensation for land reclamation and expropriation together with tenants’ relocation and attachments regarding a portion of the Land for development of city infrastructure; and increasing the plot ratio and rezoning certain areas, with an option to finally dividing the Land between the joint venture partners subject to obtaining relevant official approvals.

If the Proposal is not agreed between the joint venture partners or relevant official approvals cannot be obtained, based on PRC legal advice received by the Group, the Land will eventually be sold by way of public auction or other applicable means in accordance with PRC laws, and any surplus (after settlement of all relevant liabilities) will be distributed to the joint venture partners in accordance with their equity contributions.

Due to the complexities involved and the need to obtain various official approvals, the arrangements will take time to negotiate. There is also no assurance that further dispute or litigation will not arise with respect to matters concerning Zhen Wah and/or its assets.

FINANCIAL REVIEW

Capital Structure

The financial position of the Group remains sound and liquid, and its financing and treasury policies are managed and controlled at the corporate level and prudent manner during the period. The main objective is to utilise the group funding efficiently and to manage the financial risks effectively. At 31 December 2014, the equity attributable to its owners amounted to HK\$1,933,399,000 (30 June 2014: HK\$1,871,313,000) with net asset value per share of HK\$8.81 (30 June 2014: HK\$8.53). Total unsecured and secured bank borrowings of the Group amounted to about HK\$190,999,000 (30 June 2014: HK\$198,810,000), which were in Hong Kong dollars and repayable within three years on floating rate basis. As at 31 December 2014, the gearing ratio of the Group was 10% (30 June 2014: 11%) based on the total debt of the Group to its equity attributable to owners of the Company. No significant exposure to foreign currency fluctuations affected the Group in the period under review save for the net exchange gain of HK\$1,037,000 (six months ended 31 December 2013: HK\$2,714,000) and no financial instruments were used for hedging purpose in the period.

Management Statement *(Continued)*

FINANCIAL REVIEW *(Continued)*

Financial Resources and Liquidity

In the year under review, there was sufficient cashflow as generated by rental revenue of investment properties in Shanghai and Beijing. As at 31 December 2014, the Group's bank balance and cash stood at HK\$243,853,000 (30 June 2014: HK\$223,761,000), denominated primarily in renminbi yuans. With sufficient cashflow, the Group maintained an un-utilised credit facilities of HK\$11,000,000 (30 June 2014: HK\$11,000,000) as working capital at floating interest rate as at 31 December 2014.

Pledge of Assets and Contingent Liabilities

As at 31 December 2014, the Group pledged its properties with a total carrying value of HK\$837,907,000 (30 June 2014: HK\$820,157,000), an assignment of rental and sale proceeds from such properties and a charge over shares in respect of a wholly-owned subsidiary of the Company to a financial institution as security against general banking facilities granted to the Group, and also pledged certain of its bank deposits in the sum of HK\$22,752,000 (30 June 2014: HK\$25,581,000) to banks to secure banking facilities and home loans granted to the home buyers of property project of the Group. As at the end of the reporting period, the Group has given guarantees in respect of settlement of home loans provided by banks to the home buyers of a property project in Beijing. As at 31 December 2014, the Group had given guarantees in respect of such home loans of HK\$17,227,000 (30 June 2014: HK\$20,600,000). The Directors of the Company consider that the fair values of these financial guarantee contracts at their initial recognition and at the end of the reporting period are insignificant on the basis of the low loan ratio.

Management Statement *(Continued)*

PROSPECTS

Notwithstanding Chinese economy will slow down under official proactive fiscal policy and prudent monetary policy, it is believed that slower economic growth will allow a reforming Chinese economy to improve stability and quality alongside with a positive momentum in economic development and strong foundation. Together with rapid urbanisation and massive city-building programs, it is expected that it will bolster leasing demand of office and retail sectors in the long term.

In Beijing, it is expected that an influx of new shopping areas, aggressive growth of on-line retail sales and suppressive demand on luxury consumption will cause downward pressure on rental income of retail market. Yet, leasing activities of mid-end and mass-market retailers will remain stable in Uptown Mall as a result of growing urban disposable income. In Shanghai, it is anticipated that office demand and rental will fall in the face of impending glut of premier office supply and commencement of infrastructural construction nearby Eton Place in short-to-medium term. However, the completion of city infrastructure nearby together with the strengthening financial hub in Pudong will bring positive impact on office demand in the long term. To sustain high occupancy rate and steady recurring revenue, the Group will timely enhance market edge and lifestyle shopping experience of its mall in Beijing at strategic positioning and appropriate tenant mix/brand portfolio; and to pursue new tenants as well as retention and expansion of existing tenants at competitive rental strategies for office leasing of the Group in Shanghai.

In Shenzhen, the Group will continue to negotiate with the PRC joint venture party of Zhen Wah and relevant government departments in order to liquidate the Land and other assets of Zhen Wah in such manner as will be best for the Company and its shareholders.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 13 April 2015 to Friday, 17 April 2015 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 10 April 2015.

Management Statement *(Continued)*

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 31 December 2014, the interests and short positions held by the Directors or the chief executive(s) of the Company or any of their associates in the shares of the Company (the “**Shares**”), shares of any of its associated corporations and underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”)) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) were as follows:

Name of Director	Personal interests in number of issued ordinary Shares of the Company (long position)	Personal interests in underlying Shares pursuant to share options (long position) <i>(note 1)</i>	Aggregate interests	Total interests as approximate percentage of issued share capital <i>(note 2)</i>
Mr. TAN Harry Chua	636,000	1,500,000	2,136,000	0.97%
Dr. CHAN Wing Kit, Frank	–	1,650,000	1,650,000	0.75%
Mr. TAN Lucio Jr. Khao	–	1,500,000	1,500,000	0.68%
Mr. CHEUNG Chi Ming	–	1,500,000	1,500,000	0.68%
Mr. PASCUAL Ramon Sy	80,000	1,500,000	1,580,000	0.72%
Mr. CHIU Siu Hung, Allan	–	1,000,000	1,000,000	0.46%
Mr. WONG Sai Tat	–	1,000,000	1,000,000	0.46%
Mr. CHONG Kim Chan, Kenneth	–	1,000,000	1,000,000	0.46%
Dr. SY Robin	–	1,000,000	1,000,000	0.46%
Dr. FOK Kam Chu, John	300,000	700,000	1,000,000	0.46%

Management Statement *(Continued)*

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES

(Continued)

- Notes:*
1. The Directors' interests in the underlying Shares are through share options granted by the Company on 25 October 2011 under the 2001 share option scheme, details of which are set out in note 16 to the condensed consolidated financial statements in this interim report.
 2. The calculation is derived from the aggregate interests as a percentage of the total number of issued Shares of the Company (i.e. 219,403,681 Shares) as at 31 December 2014.

Save as disclosed above, as at 31 December 2014, none of the Directors, the chief executive(s) of the Company or any of their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers stipulated in the Listing Rules. Save as disclosed above, none of the Directors, the chief executive(s) of the Company or any of their associates had been granted or exercised any rights to subscribe for any equity or debt securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) during the six months ended 31 December 2014.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of the Directors of the Company, all the Directors confirmed that they had complied with the required standards of dealings as set out therein during the six months ended 31 December 2014.

Management Statement *(Continued)*

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 31 December 2014, so far as is known to any Director or chief executive(s) of the Company, persons (other than the Directors or the chief executive(s) of the Company) who had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name	Capacity	Number of issued ordinary Shares and underlying Shares (long position)	Total interests (long position)	Total interests as approximate percentage of issued share capital <i>(note 5)</i>
Dynamic Development Corporation	Beneficial owner	89,321,279	89,321,279	40.71%
Carnation Investments Inc.	Trustee of a private discretionary trust <i>(note 1)</i>	89,321,279	89,321,279	40.71%
Dr. TAN Lucio C.	Founder of a private discretionary trust	89,321,279	93,701,279	42.71%
	Beneficial owner <i>(note 2)</i>	2,190,000		
	Family interests <i>(note 2)</i>	2,190,000		
Mrs. TAN Carmen K.	Family interests <i>(note 3)</i>	91,511,279	93,701,279	42.71%
	Beneficial owner <i>(note 3)</i>	2,190,000		
Mr. CHUA Domingo	Corporate interests <i>(note 4)</i>	89,321,279	95,121,279	43.35%
	Beneficial owner <i>(note 4)</i>	5,800,000		

Management Statement *(Continued)***SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES** *(Continued)*

- Notes:*
1. Carnation Investments Inc. was taken to be interested in 89,321,279 Shares in the Company as the entire issued share capital of Dynamic Development Corporation was held by Carnation Investments Inc. as trustee for a private discretionary trust.
 2. Dr. TAN Lucio C. beneficially held 2,190,000 underlying Shares as derivative interests. Dr. TAN, being the spouse of Mrs. TAN Carmen K. who was interested in 2,190,000 underlying Shares as derivative interests, was deemed or taken to be interested in such Shares as family interests in which Mrs. TAN Carmen K. was interested under the SFO.
 3. Mrs. TAN Carmen K. beneficially held 2,190,000 underlying Shares as derivative interests. Mrs. TAN, being the spouse of Dr. TAN Lucio C. who was interested in 89,321,279 Shares of the Company as a founder of a private discretionary trust and 2,190,000 underlying Shares as derivative interests, was deemed or taken to be interested in such Shares as family interests in which Dr. TAN Lucio C. was interested under the SFO.
 4. The corporate interests of Mr. CHUA Domingo were held through Dynamic Development Corporation. Dynamic Development Corporation is wholly-owned by Carnation Investments Inc. Mr. CHUA Domingo is the sole shareholder and director of Carnation Investments Inc. Mr. CHUA Domingo beneficially held 1,800,000 underlying Shares as derivative interests.
 5. The calculation is derived from the aggregate interests as a percentage of the total number of issued Shares of the Company (i.e. 219,403,681 Shares) as at 31 December 2014.
 6. The references to 89,321,279 Shares in the Company in which Dr. TAN Lucio C., Mrs. TAN Carmen K., Mr. CHUA Domingo, Dynamic Development Corporation and Carnation Investments Inc. were interested or taken to be interested relate to the same block of Shares.

Save as disclosed above, as at 31 December 2014, no other person (other than the Directors and the chief executive(s) of the Company) had any interests or short positions in the Shares and underlying Shares recorded in the register required to be kept by the Company under Section 336 of the SFO.

Management Statement *(Continued)*

EMOLUMENT POLICY

At 31 December 2014, the Group had below 80 employees in Hong Kong and the mainland China at prevailing market remuneration with employee benefits such as medical insurance, provident fund schemes and share option schemes.

Both the emoluments of the respective Directors of the Company and the emolument policy of the employees of the Group are recommended by the remuneration committee of the Company on the basis of the respective merits, responsibilities and duties, performance, qualifications and competence, taking into account of comparable market level, operating results of the Group, corporate goals and objectives of the Board of Directors and relevant legal requirements, provisions, guidelines and recommendations of regulatory bodies.

The Company has adopted share option schemes as incentive to Directors and eligible employees, details of the scheme are set out in note 16 to the condensed consolidated financial statements.

CORPORATE GOVERNANCE

Throughout the six months ended 31 December 2014, the Company has applied the principles and has complied with the code provisions set out in the Corporate Governance Code stipulated in Appendix 14 to the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

Management Statement *(Continued)***AUDIT COMMITTEE**

The audit committee of the Company has reviewed the accounting practices and principles adopted by the Group and discussed with the management as to auditing, internal control, corporate governance and financial reporting matters including the review of this unaudited interim report for the six months ended 31 December 2014.

By Order of the Board
CHAN Wing Kit, Frank
Director and Chief Executive Officer

Hong Kong, 27 February 2015

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Deloitte.
德勤

德勤·關黃陳方會計師行
香港金鐘道88號
太古廣場一座35樓

Deloitte Touche Tohmatsu
35/F One Pacific Place
88 Queensway
Hong Kong

TO THE BOARD OF DIRECTORS OF DYNAMIC HOLDINGS LIMITED
(incorporated in the Bermuda with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Dynamic Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 17 to 35, which comprises the condensed consolidated statement of financial position as of 31 December 2014 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants. The Directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

Report on Review of Condensed Consolidated Financial Statements *(Continued)***CONCLUSION**

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong, 27 February 2015

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2014

	Notes	Unaudited Six months ended 31 December	
		2014 HK\$'000	2013 HK\$'000
Turnover	3	51,468	57,483
Direct costs		(11,624)	(13,408)
Gross profit		39,844	44,075
Other income	4	12,930	13,343
Increase in fair value of investment properties	10	29,897	32,178
Administrative expenses		(12,817)	(12,927)
Selling expenses		(345)	(576)
Finance costs	5	(2,477)	(2,325)
Share of loss of a joint venture		(6,374)	(4,401)
Profit before taxation	6	60,658	69,367
Taxation	7	(4,355)	(9,138)
Profit for the period		56,303	60,229
Other comprehensive income			
<i>Item that will not be reclassified to profit or loss:</i>			
Exchange differences on translation to presentation currency		12,350	24,982
Total comprehensive income for the period		68,653	85,211

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

For the six months ended 31 December 2014

	Note	Unaudited	
		Six months ended 31 December 2014 HK\$'000	2013 HK\$'000
Profit for the period attributable to:			
Owners of the Company		55,434	59,227
Non-controlling interest		869	1,002
		56,303	60,229
Total comprehensive income attributable to:			
Owners of the Company		67,571	83,798
Non-controlling interest		1,082	1,413
		68,653	85,211
Earnings per share (<i>Hong Kong cents</i>)	9		
Basic		25.27	26.99
Diluted		23.75	25.58

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2014

		Unaudited At 31 December 2014 <i>HK\$'000</i>	Audited At 30 June 2014 <i>HK\$'000</i>
	<i>Notes</i>		
Non-current Assets			
Property, plant and equipment		1,959	1,979
Investment properties	<i>10</i>	1,972,061	1,930,079
Interest in a joint venture	<i>11</i>	70,461	76,235
Amount due from a joint venture	<i>11</i>	261,683	252,355
		2,306,164	2,260,648
Current Assets			
Properties held for sale		17,434	17,315
Loan receivables	<i>12</i>	–	–
Trade and other receivables	<i>13</i>	15,386	12,349
Amount due from a non-controlling shareholder		969	964
Pledged bank balances and deposits		22,752	25,581
Bank balances and cash		243,853	223,761
		300,394	279,970
Current Liabilities			
Trade and other payables	<i>14</i>	65,813	62,723
Tax payable		102,542	100,994
Dividend payable		5,485	–
Bank loans – due within one year		7,609	7,618
		181,449	171,335
Net Current Assets		118,945	108,635
Total Assets less Current Liabilities		2,425,109	2,369,283

Condensed Consolidated Statement of Financial Position (Continued)

At 31 December 2014

		Unaudited At 31 December 2014 <i>HK\$'000</i>	Audited At 30 June 2014 <i>HK\$'000</i>
	<i>Note</i>		
Capital and Reserves			
Share capital	15	219,404	219,404
Reserves		1,713,995	1,651,909
Equity attributable to owners of the Company		1,933,399	1,871,313
Non-controlling interest		35,548	34,466
Total Equity		1,968,947	1,905,779
Non-current Liabilities			
Bank loans – due after one year		183,390	191,192
Deferred tax liabilities		272,772	272,312
		456,162	463,504
		2,425,109	2,369,283

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2014

	Attributable to owners of the Company											Non-controlling interest	Total
	Share capital	Share premium	Special reserve	Capital redemption reserve	Translation reserve	Share option reserve	Other reserves	Statutory reserve	Retained profits	Total	Total		
	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i> <i>(Note a)</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i> <i>(Note b)</i>	<i>HKS'000</i> <i>(Note c)</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>
At 1 July 2014 (audited)	219,404	426,759	55,018	1,644	381,719	8,100	92,451	7,248	678,970	1,871,313	34,466	1,905,779	
Profit for the period	-	-	-	-	-	-	-	-	55,434	55,434	869	56,303	
Exchange differences arising on translation	-	-	-	-	12,137	-	-	-	-	12,137	213	12,350	
Total comprehensive income for the period	-	-	-	-	12,137	-	-	-	55,434	67,571	1,082	68,653	
Transfer	-	-	-	-	-	-	-	272	(272)	-	-	-	
Cash dividends (note 8)	-	-	-	-	-	-	-	-	(5,485)	(5,485)	-	(5,485)	
At 31 December 2014 (unaudited)	219,404	426,759	55,018	1,644	393,856	8,100	92,451	7,520	728,647	1,933,399	35,548	1,968,947	
At 1 July 2013 (audited)	219,404	426,759	55,018	1,644	375,422	8,100	92,451	6,280	595,936	1,781,014	32,851	1,813,865	
Profit for the period	-	-	-	-	-	-	-	-	59,227	59,227	1,002	60,229	
Exchange differences arising on translation	-	-	-	-	24,571	-	-	-	-	24,571	411	24,982	
Total comprehensive income for the period	-	-	-	-	24,571	-	-	-	59,227	83,798	1,413	85,211	
Transfer	-	-	-	-	-	-	-	700	(700)	-	-	-	
Cash dividends (note 8)	-	-	-	-	-	-	-	-	(5,485)	(5,485)	-	(5,485)	
At 31 December 2013 (unaudited)	219,404	426,759	55,018	1,644	399,993	8,100	92,451	6,980	648,978	1,859,327	34,264	1,893,591	

Notes:

- The special reserve of the Group arose from the difference between the aggregate amount of the then share capital, share premium, general reserve and retained profits of the subsidiaries acquired, and the nominal amount of the Company's shares issued for the acquisition in relation to a previous group reorganisation.
- The other reserve of the Group represents deemed contributions from equity holders of the Company which arose from the difference between the fair value of consideration paid and payable and the net fair value of the identifiable assets, liabilities and contingent liabilities acquired through acquisition of the subsidiaries during the year ended 30 June 2006.
- The statutory reserve transferred from retained profits are required by relevant laws and regulations of the People's Republic of China (the "PRC") applicable to the Company's subsidiary in the PRC.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2014

	Unaudited	
	Six months ended 31 December	
	2014	2013
	HK\$'000	HK\$'000
NET CASH FROM OPERATING ACTIVITIES	24,364	19,911
NET CASH FROM INVESTING ACTIVITIES		
Interest received	1,598	2,237
Withdrawal of pledged bank deposits	2,987	–
Other investing cash flows	(44)	(41)
	4,541	2,196
NET CASH USED IN FINANCING ACTIVITIES		
Repayment of bank loans	(8,000)	(12,500)
Interest paid	(2,288)	(2,054)
	(10,288)	(14,554)
NET INCREASE IN CASH AND CASH EQUIVALENTS	18,617	7,553
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	223,761	218,433
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	1,475	2,042
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by bank balances and cash	243,853	228,028

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2014

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties, that are measured at their fair values.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 31 December 2014 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 30 June 2014.

In the current interim period, the Group has applied, for the first time, a new interpretation and certain amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA that are mandatorily effective for the current interim period.

The application of the new interpretation and amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

3. TURNOVER AND SEGMENT INFORMATION

Information reported to the board of Directors (the “**Board**”) of the Company, being the chief operating decision maker, for the purpose of resource allocation and assessment of performance focused on the location of the properties for property rental and property sales.

The property rental segment includes property leasing operation in the People’s Republic of China (the “**PRC**”). The Group’s investment properties portfolio, which mainly consists of offices, shopping mall and carparks, are located in Shanghai and Beijing. The property sales segment includes sales of the Group’s trading properties in Beijing.

These divisions, property rental and property sales analysed based on distinct geographical locations, are the basis on which the Group reports its segment information under HKFRS 8 “*Operating Segments*”.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2014

3. TURNOVER AND SEGMENT INFORMATION (Continued)

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

	Property rental				Property sales		Consolidated	
	Beijing		Shanghai		Beijing		2014	2013
	Unaudited							
	Six months ended 31 December							
2014	2013	2014	2013	2014	2013	2014	2013	
<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	
SEGMENT REVENUE								
TURNOVER								
External sales	18,329	17,980	33,139	30,124	–	9,379	51,468	57,483
SEGMENT RESULT	21,519	22,224	48,237	46,697	(166)	7,215	69,590	76,136
Unallocated other income							12,102	12,319
Unallocated corporate expenses							(12,183)	(12,362)
Finance costs							(2,477)	(2,325)
Share of loss of a joint venture							(6,374)	(4,401)
Profit before taxation							60,658	69,367

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment result represents the profit (loss) from each segment without the allocation of central administration costs, exchange gain (loss), bank interest income, imputed interest income on amount due from a joint venture, finance costs and share of loss of a joint venture. This is the measure reported to the Board for the purposes of resources allocation and performance assessment.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2014

4. OTHER INCOME

	Unaudited Six months ended 31 December	
	2014 HK\$'000	2013 HK\$'000
Included in other income are:		
Bank interest income	3,103	2,237
Exchange gain, net	1,037	2,714
Imputed interest income on other receivables	5	3
Imputed interest income on amount due from a joint venture	7,774	7,323

5. FINANCE COSTS

	Unaudited Six months ended 31 December	
	2014 HK\$'000	2013 HK\$'000
Interest on bank borrowings wholly repayable within five years	2,477	2,325

6. PROFIT BEFORE TAXATION

	Unaudited Six months ended 31 December	
	2014 HK\$'000	2013 HK\$'000
Profit for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	76	79

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2014

7. TAXATION

	Unaudited	
	Six months ended 31 December	
	2014	2013
	HK\$'000	HK\$'000
The tax charge comprises:		
Current tax in the PRC (other than Hong Kong)		
Current period	5,573	5,619
PRC land appreciation tax	-	3,015
Deferred taxation (credit) charge	(1,218)	504
	4,355	9,138

No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements as the Company and its subsidiaries operating in Hong Kong had no assessable profit for both periods.

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

Certain subsidiaries of the Company incorporated in Hong Kong and the British Virgin Islands are subject to withholding tax ranging from 10% to 25% on their taxable rental income and management fee income in the PRC.

8. DIVIDENDS

	Unaudited	
	Six months ended 31 December	
	2014	2013
	HK\$'000	HK\$'000
Final dividend payable in respect of year ended 30 June 2014 of 2.5 Hong Kong cents (2013: 2.5 Hong Kong cents) per share	5,485	5,485

Subsequent to the end of the current interim period, the Directors of the Company have declared that an interim dividend of 2.5 Hong Kong cents (six months ended 31 December 2013: 2.5 Hong Kong cents) will be paid to the owners of the Company whose names appear on the register of members of the Company on 17 April 2015.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2014

9. EARNINGS PER SHARE

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

	Unaudited Six months ended 31 December	
	2014	2013
	HK\$'000	HK\$'000
Earnings		
Earnings for the purposes of basic and diluted earnings per share (profit for the period attributable to owners of the Company)	55,434	59,227

	Unaudited Six months ended 31 December	
	2014	2013
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	219,403,681	219,403,681
Effect of dilutive potential ordinary shares on share options	13,972,500	12,176,062
Weighted average number of ordinary shares for the purpose of diluted earnings per share	233,376,181	231,579,743

10. INVESTMENT PROPERTIES

	HK\$'000
FAIR VALUE	
At 30 June 2014 (audited)	1,930,079
Exchange realignment	12,085
Increase in fair value of investment properties	29,897
At 31 December 2014 (unaudited)	1,972,061

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2014

10. INVESTMENT PROPERTIES (Continued)

The fair value of the Group's investment properties as at 30 June 2014 and 31 December 2014 has been arrived at on the basis of valuations carried out on those dates by Savills Valuation and Professional Services Limited, an independent firm of qualified professional valuers not connected with the Group with appropriate qualification and recent experience in the valuation of similar properties in the relevant locations. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the same location and conditions or where appropriate by considering the capitalised income to be derived from the existing tenancies and the reversionary potential of the properties. The revaluation gave rise to a net gain arising from increase in fair value of HK\$29,897,000 (six months ended 31 December 2013: HK\$32,178,000) which has been included in the condensed consolidated statement of profit or loss and other comprehensive income.

11. INTEREST IN A JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE

	Unaudited At 31 December 2014 HK\$'000	Audited At 30 June 2014 HK\$'000
Cost of investment, unlisted	118,087	117,615
Share of post-acquisition loss and reserves	(47,626)	(41,380)
Interest in a joint venture	70,461	76,235
Amount due from a joint venture	261,683	252,355

Particulars of the joint venture as at 31 December 2014 and 30 June 2014 are as follows:

Name of joint venture	Place of establishment	The Group's equity interest	Principal activities
Shenzhen Zhen Wah Harbour Enterprises Ltd. ("Zhen Wah")	PRC	49%	Temporary port operations/ property development (note)

Note: The operation period of Zhen Wah expired on 16 January 2014. Thereafter, Zhen Wah ceased its operation and is now in the process of liquidation.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2014

11. INTEREST IN A JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE (Continued)

Zhen Wah is a sino-foreign equity joint venture company and indirectly held by the Company. The Group is able to exercise 50% voting power in the joint venture, which is determined by the proportion of the Group's representatives in the Board of Directors of Zhen Wah. The operation period of Zhen Wah expired on 16 January 2014. Both joint venture partners of Zhen Wah have determined not to extend its operation period.

Based on the PRC laws and regulations and the related interpretations by an external PRC legal counsel engaged by the Group, after the expiry of the operation period, the legal identity of Zhen Wah still exists and the net assets of Zhen Wah will be distributed to the joint venture partners based on their equity contributions after the completion of the winding up. All the decision making of the voluntary winding up process requires the unanimous consent of both joint venture partners. Accordingly, the Directors of the Company continue to account for Zhen Wah as a joint venture of the Group using the equity method of accounting in these condensed consolidated financial statements.

The management of the Group has been discussing with the Chinese joint venture partner on relevant arrangements (which may require approvals from relevant PRC governmental authorities) regarding the winding up. As at 31 December 2014 and up to the date of this report, the winding up of Zhen Wah is underway, however the detailed plan to proceed with the winding up (including in respect of the potential sale of Zhen Wah's assets) is subject to agreement between the Group and the Chinese joint venture partner.

The amount due from a joint venture is unsecured and to be repayable after the next twelve months from the end of the reporting period. The amount is carried at amortised cost at an effective interest rate of 6% (30 June 2014: 6%) per annum.

The Directors of the Company have assessed the recoverability of interest in a joint venture and amount due from a joint venture amounting to HK\$70,461,000 and HK\$261,683,000, respectively as at 31 December 2014. Based on the PRC legal advice and the latest financial information of Zhen Wah, the Directors of the Company have concluded that the amounts will be fully recoverable.

12. LOAN RECEIVABLES

	Unaudited At 31 December 2014 HK\$'000	Audited At 30 June 2014 HK\$'000
Loan receivables	1,807	1,796
Less: Allowance for doubtful debts	(1,807)	(1,796)
	-	-

The loan receivables were unsecured and interest-free. The amounts were all past due at the end of the reporting period.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2014

13. TRADE AND OTHER RECEIVABLES

For property sales, the Group allows an average credit period of 30 days (30 June 2014: 30 days) to the buyers. Rentals receivable from tenants and service income receivables from customers are payable on presentation of invoices.

The following is an aged analysis of trade receivables net of allowance for doubtful debt presented based on invoice date at the end of the reporting period:

	Unaudited At 31 December 2014 HK\$'000	Audited At 30 June 2014 HK\$'000
0-60 days	6,612	6,576
61-90 days	124	100
More than 90 days	29	149
	6,765	6,825

Included in the Group's trade receivable balances were debtors with a carrying amount of HK\$785,000 (30 June 2014: HK\$467,000) which were past due at the end of the reporting period for which the Group has not provided for impairment loss. There has not been a significant change in credit quality and the management considers that the amounts are still recoverable. The Group does not hold any collateral over these balances. The average overdue age of these receivables is 32 days (30 June 2014: 74 days) overdue.

Aging of past due but not impaired trade receivables

	Unaudited At 31 December 2014 HK\$'000	Audited At 30 June 2014 HK\$'000
Overdue:		
0-30 days	348	184
31-60 days	284	34
61-90 days	124	100
More than 90 days	29	149
	785	467

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2014

14. TRADE AND OTHER PAYABLES

At 31 December 2014, the balance of trade and other payables included trade payables of HK\$2,520,000 (30 June 2014: HK\$1,845,000). The following is an aged analysis of trade payables based on the invoice date at the end of the reporting period:

	Unaudited At 31 December 2014 <i>HK\$'000</i>	Audited At 30 June 2014 <i>HK\$'000</i>
0-60 days	1,774	1,268
Over 60 days	746	577
	2,520	1,845

The other payables mainly include rental deposits of HK\$29,747,000 (30 June 2014: HK\$27,934,000) and receipt in advance of HK\$5,199,000 (30 June 2014: HK\$5,044,000).

15. SHARE CAPITAL

	Number of shares	Amount <i>HK\$'000</i>
Ordinary shares of HK\$1.00 each		
Authorised:		
At 1 July 2013, 30 June 2014 and 31 December 2014	300,000,000	300,000
Issued and fully paid:		
At 1 July 2013, 30 June 2014 and 31 December 2014	219,403,681	219,404

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2014

16. SHARE OPTION SCHEMES

The Company previously adopted a share option scheme on 21 December 2001 (the “**2001 Scheme**”). On 9 December 2011, an ordinary resolution was passed by the shareholders at the annual general meeting of the Company approving the adoption of a new share option scheme (the “**2011 Scheme**”) which will expire on 8 December 2021 and the simultaneous termination of the 2001 Scheme with effect from 9 December 2011. Both the 2001 Scheme and 2011 Scheme were adopted for the purpose of providing incentives to Directors, employees and eligible participants.

Under both the 2001 Scheme and 2011 Scheme, the Board of Directors of the Company may grant share options (the “**Options**”) to Directors, employees of the Company and its subsidiaries and such eligible participants at the discretion of the Board of Directors of the Company pursuant to the terms thereof, to subscribe for shares of the Company (the “**Shares**”), at a price per Share not less than the highest of (i) the closing price of a Share as stated in the Stock Exchange’s daily quotation sheets on the date of grant of the relevant Option, which must be a trading day; (ii) the average of the closing price of a Share as stated in the Stock Exchange’s daily quotation sheets for the five trading days immediately preceding the date of grant of the relevant Option; and (iii) the nominal value of a Share. The maximum number of Shares which may be issued upon exercise of all options to be granted under the share option schemes shall not in aggregate exceed 10% of the issued share capital of the Company at the date of the adoption of the relevant share option scheme. No Director, employee or eligible participant may exercise option(s) granted to it under the share option scheme if such exercise would result in him or her subscribing for more than 1% of the issued share capital of the Company as at the date of such new grant in any 12-month period. The option period for which the options granted are exercisable, shall be such period as notified by the Board of Directors of the Company, save that it shall not be more than 10 years from the date of grant. A nominal consideration of HK\$1 is payable by the grantee on acceptance of each grant. The offer of a grant of share options may be accepted within 28 days from the date of the offer. As at 31 December 2014, the number of Shares in respect of which options had been granted and remained outstanding under the 2001 Scheme was 21,600,000 (30 June 2014: 21,600,000) Shares, representing 9.9% (30 June 2014: 9.9%) of the Shares of the Company in issue as at the date of approval of the 2001 Scheme.

Notes to the Condensed Consolidated Financial Statements *(Continued)*

For the six months ended 31 December 2014

16. SHARE OPTION SCHEMES *(Continued)*

The following tables disclose details of the Company's Options held by employees (including Directors and consultants):

For the six months ended 31 December 2014

Date of grant	Exercise price per share <i>(HK\$)</i>	Exercisable period	Number of Options				Outstanding at 31 December 2014
			Outstanding at 1 July 2014	Granted during the period	Exercised during the period	Lapsed during the period	
2001 Scheme							
25 October 2011	1.13	25 October 2011 to 24 October 2019	21,600,000	-	-	-	21,600,000
Exercisable at the end of the period							21,600,000
Weighted average exercise price <i>(HK\$)</i>							1.13

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2014

16. SHARE OPTION SCHEMES (Continued)

For the six months ended 31 December 2013

Date of grant	Exercise price per share HK\$	Exercisable period	Number of Options				Outstanding at 31 December 2013
			Outstanding at 1 July 2013	Granted during the period	Exercised during the period	Lapsed during the period	
2001 Scheme							
25 October 2011	1.13	25 October 2011 to 24 October 2019	21,600,000	-	-	-	21,600,000
Exercisable at the end of the period							21,600,000
Weighted average exercise price (HK\$)			1.13	-	-	-	1.13

Saved as disclosed, no other Option was granted under 2001 Scheme and 2011 Scheme since their adoption.

17. CONTINGENT LIABILITIES

The Group has given guarantees in respect of the settlement of home loans provided by banks to the home buyers of a property project in Beijing, the PRC. At 31 December 2014, the Group had given guarantees in respect of such home loans of HK\$17,227,000 (30 June 2014: HK\$20,600,000). The Directors of the Company consider that the fair values of these financial guarantee contracts at their initial recognition and at the end of the reporting period are insignificant on the basis of the low loan to value ratio.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 31 December 2014

18. RELATED PARTY TRANSACTIONS

Other than those disclosed in notes 4 and 11, the Group has entered into the following transactions with related companies during the period:

	Unaudited	
	Six months ended 31 December	
	2014	2013
	HK\$'000	HK\$'000
Rental income received	242	212
Other income received	187	47
Rental and management fees paid	1,283	1,364
Consultancy service fees paid	500	500
Agency fees paid	379	379

Other outstanding balances with the following related companies, which are unsecured, interest-free and repayable on demand, at 31 December 2014 and 30 June 2014 are as follows:

	Unaudited	Audited
	At	At
	31 December	30 June
	2014	2014
	HK\$'000	HK\$'000
Deposits due from related companies included in trade and other receivables	531	430
Amounts due from related companies included in trade and other receivables	1,789	890
Amount due to a related company included in trade and other payables	618	765
Amount due from a non-controlling shareholder	969	964

The related companies are companies controlled by certain Directors of the Company.

During the current interim period, the emoluments of key management personnel were HK\$2,652,000 (six months ended 31 December 2013: HK\$2,935,000).

PROFORMA COMBINED BALANCE SHEET OF AFFILIATED COMPANY

Details of advances given to an affiliated company as at 31 December 2014, which exceeded 8% under the assets ratio as defined under rule 13.16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) are as follows:

Affiliated company	Percentage of equity held by the Group	Amount of advances HK\$'000
Shenzhen Zhen Wah Harbour Enterprises Ltd. (“ Zhen Wah ”) (<i>note</i>)	49%	261,683

Note: The operation period of Zhen Wah expired on 16 January 2014. Thereafter, Zhen Wah ceased its operation and is now in the process of liquidation.

The advances to Zhen Wah by the Group have been accounted for as amount due from a joint venture, details of which are disclosed in note 11 to the condensed consolidated financial statements.

The amount of advances are unsecured and repayable after the next twelve months from the end of the reporting period.

Pursuant to the continuing disclosure requirements under rule 13.22 of the Listing Rules, the proforma combined balance sheet of Zhen Wah and the attributable interest of the Group in Zhen Wah as at 31 December 2014 are disclosed as follows:

Proforma combined balance sheet of affiliated company

	Proforma combined balance sheet at 31 December 2014 HK\$'000	Group's attributable interest at 31 December 2014 HK\$'000
Non-current assets	254,349	124,631
Current assets	55,278	27,086
Current liabilities	(14,952)	(7,326)
Non-current liabilities	(261,683)	(128,225)
Net assets	32,992	16,166