

WING TAI PROPERTIES LIMITED

永泰地產有限公司

STOCK CODE 股份代號 369

INTERIM REPORT
中期報告 2015

Our brands,
Wing Tai Asia and Lanson Place,
are synonymous with quality
craftsmanship, a result of
the close alignment of values
and seamless cooperation of
our committed professional teams.

We strive to deliver sophisticated
yet warm homes that
turn our customers' dreams
into reality. At Wing Tai Asia,

WE DON'T
JUST BUILD, WE
CRAFT.

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CHAIRMAN'S STATEMENT

Dear Shareholders,

Capitalising on our well-maintained portfolio of residential, commercial and hospitality assets, the Group has continued to achieve satisfactory results and growth, staying resilient in the midst of a competitive market and challenging operating environment. While sale of our completed residential units for the first half of 2015 was relatively lower than last period, our property investment segment delivered healthy growth in recurring income. As a result, the Group recorded consolidated net profit of HK\$469 million. The Board of Directors has proposed an interim dividend of HK4.2 cents per share.

Despite further tightening on property mortgages by the government in February, Hong Kong residential primary sale transactions, in particular small units, posted new highs both in terms of price and volume during the first six months. We took advantage of the opportunities to steadily sell the remaining units of The Warren, The Pierre, Providence Bay, Providence Peak and The Graces. We also re-launched the pre-sale of Homantin Hillside in June and attracted favourable market attentions and response from both end-users and investors.

We continued to achieve growth in recurring rental income from our quality Grade A offices and industrial buildings in Hong Kong, supported by close to full occupancy with solid upward rental reversion and quality tenant base. The continuing trend of multi-national corporations and financial institutions moving away from CBD area to quality and large scale space in Kowloon East has benefited Landmark East, our flagship Grade A offices property in Kowloon East.

In August, to further enhance and diversify our investment portfolio, we acquired a boutique office building in the West End of Central London, and acquired a 25% interest in a Grade A office building in the City of Central London. Both buildings are in full occupancy and will generate a steady flow of rental income after completion in September.

Our Lanson Place hospitality investment and management business registered mixed results. In Hong Kong, Lanson Place Hotel was affected by the softening of Hong Kong hotel market. In April 2015, Aroma Garden Serviced Suites, our 3rd serviced residences in Shanghai, commenced operations and achieved strong take-up. In July, we signed a 10-year management contract to manage One Sunland Serviced Suites of 196 serviced apartment units in Waigaoqiao Free Trade Zone, Pudong, Shanghai. This denotes the 11th addition to our Lanson Place portfolio and the 5th flag in Shanghai. The roll-out of "Lanson Place Lifestyle Services" at The Warren and The Pierre in Hong Kong are also well-received.

Recently, there was substantial volatility in the financial markets and the impact on our business is yet to be assessed. Nevertheless, the market offers both opportunities and challenges, and we are confident that with our strong brand positioning and healthy financial position, we are poised to advance ahead by growing our asset portfolio and extending our presence in Hong Kong and other major gateway cities.

I would like to express my gratitude to our shareholders, colleagues and business partners for your support over the years.

Cheng Wai Chee, Christopher
Chairman

Hong Kong, 26 August 2015

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2015, the Group's revenue was HK\$540 million, a decrease of HK\$777 million compared with HK\$1,317 million in 2014. The decrease in revenue was mainly due to fewer property development sales in the first half of 2015. Consolidated profit attributable to equity holders was HK\$469 million, a decrease of HK\$1,132 million compared with HK\$1,601 million in 2014. The decrease in profit was mainly attributable to a lower net fair value gain on investment properties and financial instruments of HK\$265 million in the first half of 2015 compared with HK\$1,334 million in 2014 and lower property development profits.

Property Development

The property development segment revenue was HK\$115 million in the first half of 2015, a decrease of HK\$783 million compared with HK\$898 million in 2014. Segment profit before taxation was HK\$80 million in 2015, a decrease of HK\$91 million compared with HK\$171 million in 2014. The decrease in profit was mainly due to fewer sales from our wholly-owned projects in the first half of 2015 over the corresponding period of 2014.

Wholly-owned projects

The Warren, located at 9 Warren Street, Causeway Bay, is a residential and commercial project with a saleable area of approximately 53,000 square feet for 103 residential units and 2 retail shops on the ground floor. In the first half of 2015, around 6% of the residential units were sold. Cumulatively, as at 30 June 2015, around 88% of the residential units were sold.

The Pierre, located at 1 Coronation Terrace, Mid-Levels West, is a residential project with a saleable area of approximately 29,000 square feet for 77 units. In the first half of 2015, around 3% of the residential units were sold. Cumulatively, as at 30 June 2015, around 95% of the residential units were sold.

The site in Siu Sau, Castle Peak Road – Tai Lam, a low-density residential site, has a gross floor area of approximately 159,000 square feet. Foundation work and site formation work have commenced in August and the project is scheduled for completion by 2019.

The site in Shau Kei Wan, a prime harbour-front residential site, has a gross floor area of approximately 46,000 square feet. Foundation work has commenced in June and the project is scheduled for completion in 2018.

Joint venture projects

The Group has a 15% interest in each of Providence Bay, Providence Peak and The Graces located at Pak Shek Kok, Tai Po. In the first half of 2015, around 18%, 8% and 9% of the residential units of Providence Bay, Providence Peak and The Graces were sold respectively. Cumulatively, as at 30 June 2015, around 82%, 90% and 92% of the residential units of Providence Bay, Providence Peak and The Graces were sold respectively.

The Group has a 30% interest in Seymour, located at the Mid-levels. In the first half of 2015, around 2% of the residential units were sold. Cumulatively, as at 30 June 2015, all of the residential units were sold.

The Group has a 50% interest in Homantin Hillside, located at Hung Hom which is in close proximity to the future Ho Man Tin MTR station of the Kwun Tong Line Extension and Shatin to Central Link. The project has a saleable area of approximately 128,000 square feet for 173 residential units. In the first half of 2015, around 10% of the residential units were pre-sold during sales launch in June 2015. Cumulatively, as at 30 June 2015, around 14% of the residential units were pre-sold. The Group is the lead project manager and lead sales and marketing manager for this project. Superstructure work is in progress and the project is scheduled for completion in 2016.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group has two low-density residential projects in Kau To, Shatin. The Group has a 35% interest in both sites which offer a combined gross floor area of approximately 460,000 square feet. The Group is the joint project manager and lead sales and marketing manager for both projects. Foundation works are in progress and the projects are scheduled for completion in 2017.

Property Investment and Management

The property investment and management segment revenue was HK\$342 million in the first half of 2015, an increase of HK\$9 million compared with HK\$333 million in 2014. Segment profit before taxation (including fair value changes) was HK\$503 million in 2015, a decrease of HK\$1,005 million compared with HK\$1,508 million in 2014. Excluding fair value changes of investment properties and financial instruments, segment profit before taxation was HK\$217 million in 2015, an increase of HK\$24 million compared with HK\$193 million in 2014. The increase in profit reflects continued growth in rental rate of the Group's investment properties and savings in finance costs due to bank loans repayment in the second half of 2014.

Wholly-owned properties in Hong Kong

As at 30 June 2015, the Group's portfolio of investment properties, comprising 1.5 million square feet of Grade-A office buildings and 0.7 million square feet of industrial buildings, had an aggregate fair market valuation of HK\$17,804 million.

Landmark East is the Group's flagship property located in Kowloon East. This property is a Grade-A office complex comprising twin towers of 36 floors and 34 floors respectively with a total gross floor area of approximately 1,338,000 square feet and 454 car parking spaces. As at 30 June 2015, the property achieved an occupancy of approximately 97%. In the first half of 2015, around 7% of leases were renewed with an average rental upward reversion of approximately 14%. Around 14% of leases will expire in the second half of 2015 and will be subject to renewal on prevailing market terms.

Located at Hennessy Road in the heart of Wan Chai, W Square offers a gross floor area of approximately 129,000 square feet of office and retail space. As at 30 June 2015, the property achieved an occupancy of approximately 94%. In the first half of 2015, around 14% of leases were renewed with an average rental upward reversion of approximately 8%. Around 14% of the leases will expire in the second half of 2015 and will be subject to renewal on prevailing market terms.

The Group has two industrial buildings, Winner Godown Building in Tsuen Wan and Shui Hing Centre in Kowloon Bay, with a combined gross floor area of approximately 684,000 square feet. As at 30 June 2015, the two properties achieved nearly full occupancy. In the first half of 2015, around 10% of leases were renewed with an average rental upward reversion of approximately 32%. Around 25% of the leases will expire in the second half of 2015 and will be subject to renewal on prevailing market terms.

Wholly-owned properties in London, the United Kingdom

The commercial property located at Savile Row/Vigo Street, West End, has a net internal area of approximately 14,000 square feet of Grade A office and retail space. As at 30 June 2015, the property achieved full occupancy.

The high-end commercial property located at Brook Street, West End, offers easy access to upcoming Bond Street Station of London Crossrail and has a net internal area of approximately 19,000 square feet of Grade A office and retail space. As at 30 June 2015, the property achieved an occupancy of approximately 74%. At the date of this report, the occupancy rate has improved to 87%.

In August 2015, the Group acquired a 6-storey commercial property located at 35 Berkeley Square, West End. The property has a net internal area of approximately 7,900 square feet of office space. At the date of this report, the property has achieved full occupancy. Completion of the acquisition will be in September 2015.

Joint venture property in London, the United Kingdom

In August 2015, through a joint venture with an independent third party, the Group acquired a 25% interest in a 12-storey commercial property located at 10 Fleet Place, the City. The property has a net internal area of approximately 186,000 square feet of Grade A office and retail space. At the date of this report, the property has achieved full occupancy. Completion of the acquisition will be in September 2015.

Joint venture project in China

The Group has a 50% interest in Upper Riverside, a luxury apartment building located at Lujiazui, Pudong, Shanghai. The project has a gross floor area of approximately 210,000 square feet for 97 units. The Group is the lead project manager and lead sales and marketing manager. The project has been completed in August and is ready for leasing and sale.

Hospitality Investment and Management

The hospitality investment and management segment revenue was HK\$71 million in the first half of 2015 compared with HK\$74 million in 2014. Segment loss before taxation (including fair value changes) was HK\$21 million in 2015, compared with a profit of HK\$47 million in 2014. Excluding fair value changes of investment properties and financial instruments, segment profit before taxation was HK\$10 million compared with HK\$21 million in 2014.

Performance of The Lanson Place Hotel in Hong Kong has been impacted by softening hotel market in the first half of 2015 as a result of a slowdown in tourist arrivals and spending.

Lanson Place Jinlin Tiandi Serviced Residences in Shanghai maintained a stable occupancy rate and average rental rate. Lanson Place Central Park Serviced Residences in Beijing continued to achieve occupancy of over 90% with a steady growth in average rental rate. Lanson Place Bukit Ceylon Serviced Residences in Kuala Lumpur, despite a challenging local economy due to the downturn in oil and commodity market, gradually picked up occupancy at a stable average rental rate after its full opening in December 2014.

In July 2015, a 10-year management contract was signed to manage One Sunland Serviced Suites in Waigaoqiao Free Trade Zone, Pudong, Shanghai. This denotes the 5th property in Shanghai under Lanson Place management. The project offers 196 units of studios and one to three-bedroom apartments and is targeted to open around the second quarter of 2016.

During the period, “Lanson Place Lifestyle Services” have been rolled out to The Warren, The Pierre and Upper Riverside in addition to The Forfar.

Lanson Place properties continue to be well-recognised by travellers. The Lanson Place Hotel was awarded the “2015 Certificate of Excellence” by TripAdvisor. Lanson Place Bukit Ceylon Serviced Residences had been declared as the “Winner for the Hotel Suites in Asia Pacific category” by International Hotel & Property Awards 2015. In addition, Lanson Place Jin Qiao Serviced Residences and Lanson Place Hospitality Management were awarded “The Best Designed Boutique Serviced Apartment of China” and “The Best Serviced Apartment Operator of China” respectively at the 10th China Hotel Starlight Awards.

Others

The others segment represents investing activities and corporate expenses including central management and administrative function. Segment revenue was HK\$11 million in the first half of 2015 compared with HK\$12 million in 2014. Segment loss before taxation (including fair value changes) was HK\$42 million in 2015, a decrease of HK\$12 million compared with HK\$54 million in 2014. Excluding fair value changes of financial instruments, segment loss before taxation was HK\$52 million compared with HK\$48 million in 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group's net assets totaled HK\$22,933 million as at 30 June 2015 (31 December 2014: HK\$22,680 million). The increase of HK\$253 million mainly resulted from the profit for the period of HK\$469 million, offset by the fair value loss arising from the revaluation of available-for-sale financial assets of HK\$67 million and the distribution of the 2014 final dividend of HK\$125 million in the first half of 2015.

As at 30 June 2015, the Group's bank and other borrowings totaled HK\$3,847 million (31 December 2014: HK\$3,879 million). The maturity profile of the Group's bank and other borrowings is set out below:

	30 June 2015		31 December 2014	
	HK\$ million	%	HK\$ million	%
Repayable:				
Within one year	64	2%	64	2%
Between one and two years	629	16%	459	12%
Between two and five years	1,248	32%	1,427	37%
After five years	1,906	50%	1,929	49%
	3,847	100%	3,879	100%

As at 30 June 2015, the Group's net borrowings (total bank borrowings and fixed rate bonds less bank balances and cash) was HK\$1,689 million (31 December 2014: HK\$2,286 million), representing 7% of the Group's net assets (31 December 2014: 10%). Interest for the Group's bank borrowings is mainly on a floating rate basis while interest for the Group's bonds is on a fixed rate basis.

The Group's bank balances and cash as well as unutilised revolving loan facilities are set out as follows:

	30 June 2015	31 December 2014
	HK\$ million	HK\$ million
Bank balances and cash	2,159	1,593
Unutilised revolving loan facilities	2,203	2,210
	4,362	3,803

Foreign Currencies

The Group principally operates in Hong Kong, and as a result, has minimal exposure to exchange rate fluctuation. The Group conducts its business mainly in Hong Kong dollars, Renminbi, and UK pounds. For transactions in foreign currencies, the Group will closely monitor the exposure, and if appropriate, hedge to the extent desirable.

Contingent Liabilities

As at 30 June 2015, the Group had contingent liabilities of HK\$2,849 million (31 December 2014: HK\$2,858 million) in respect of guarantees given by the Company for banking facilities granted to an associated company and certain joint ventures. The guarantees were given severally and in proportion to the Group's equity interests in the associated company and joint ventures.

MANAGEMENT DISCUSSION AND ANALYSIS & INTERIM DIVIDEND

Pledge of Assets

As at 30 June 2015, the Group's advances to associates/joint ventures of HK\$1,586 million (31 December 2014: HK\$1,531 million) were subordinated to the loan facilities of associates/joint ventures and assigned. The shares in these associates/joint ventures beneficially owned by the Group are pledged to the financial institutions.

As at 30 June 2015, several of the Group's investment properties, properties for sale and other financial assets with carrying values of HK\$5,181 million, HK\$1,083 million and HK\$289 million respectively were pledged to secure credit facilities for the Group.

PROSPECTS

We expect the Hong Kong property market will remain challenging for the rest of the year under the market expectation of interest rate hike, recent stock market and RMB fluctuation, softened retail market and continued government cooling measures on residential property.

On the back of steady public land tender programme and private tenders, coupled with our healthy financial position and strong partner networks, we believe the Group is in a good position to strategically expand our residential, commercial and hospitality investment portfolio to build a scalable residential pipelines and growing recurring income base.

We will continue to focus on our project design and execution for the uncompleted residential projects in Homantin Hillside, Kau To, Siu Sau and Shau Kei Wan. We will identify the right market windows to further pre-sell Homantin Hillside and to launch the sale of Upper Riverside in Shanghai, as well as continue to sell the remaining completed units of The Warren, The Pierre, Providence Bay, Providence Peak and The Graces.

We are confident of maintaining the growth in leasing performance of our quality commercial properties in the second half of the year, based on the high occupancy and good progress in securing upward rental reversion for a considerable number of leases to be expired. Our latest acquisitions of the two London office properties will also contribute additional recurring income in the last quarter.

We will continue to extend our Lanson Place presence through third-party management contracts to gateway cities, and work on the pre-opening of the 4th and the 5th serviced apartments in Shanghai scheduled for operations in the first half of 2016.

EMPLOYEES

As at 30 June 2015, the Group had approximately 530 employees. The Group offers comprehensive remuneration and benefit packages to its employees, which are structured according to the prevailing salary levels in the market, individual merit and performance. The Group has a mandatory provident fund scheme and an occupational retirement scheme to provide retirement benefits to all employees in Hong Kong.

Employees, including directors, are eligible for the Company's share incentive scheme where the incentive shares are generally exercisable by phases within ten years.

INTERIM DIVIDEND

The Directors declared the payment of an interim dividend of HK4.2 cents per share for the year ending 31 December 2015 (2014: HK4.2 cents). The interim dividend will be distributed on or around 5 October 2015 to the shareholders whose names appear on the register of members of the Company at the close of business on 16 September 2015 (the Record Date).

In order to qualify for the entitlement of the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on 16 September 2015.



羅兵咸永道

TO THE BOARD OF DIRECTORS OF WING TAI PROPERTIES LIMITED*(incorporated in Bermuda with limited liability)***INTRODUCTION**

We have reviewed the interim financial information set out on pages 9 to 28, which comprises the condensed consolidated balance sheet of Wing Tai Properties Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2015 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on the interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26 August 2015

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2015

INTERIM RESULTS

The Board of Directors (the "Directors") of Wing Tai Properties Limited (the "Company") presents the unaudited condensed consolidated interim financial information ("Interim Financial Information") of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2015.

	Note	Unaudited	
		Six months ended 30 June 2015 HK\$'M	2014 HK\$'M
Revenue	6	539.8	1,317.0
Cost of sales		(157.4)	(742.4)
Gross profit		382.4	574.6
Other gains, net	7	2.1	7.8
Selling and distribution costs		(24.7)	(54.4)
Administrative expenses		(134.2)	(127.2)
Change in fair value of investment properties and financial instruments	8	264.5	1,333.9
Profit from operations	9	490.1	1,734.7
Finance costs		(53.9)	(70.7)
Finance income		8.0	5.8
Share of results of joint ventures	22	75.2	1.7
Share of results of associates		1.0	(0.2)
Profit before taxation		520.4	1,671.3
Taxation	10	(51.7)	(70.4)
Profit for the period		468.7	1,600.9
Attributable to:			
Equity holders of the Company		468.8	1,600.9
Non-controlling interests		(0.1)	–
		468.7	1,600.9
Earnings per share attributable to equity holders of the Company	11		
– Basic		HK\$0.35	HK\$1.20
– Diluted		HK\$0.35	HK\$1.19

The notes on pages 15 to 28 are an integral part of this Interim Financial Information.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2015

	Unaudited	
	Six months ended 30 June 2015 HK\$'M	2014 HK\$'M
Profit for the period	468.7	1,600.9
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(2.9)	(5.0)
Net fair value (loss)/gain arising from revaluation of available-for-sale financial assets	(66.7)	75.9
Net gain/(loss) on net investment hedge	3.2	(3.0)
Net loss on cash flow hedge		
– Fair value losses	(29.3)	(20.3)
– Release to profit or loss	(0.4)	19.4
Other comprehensive income for the period, net of tax	(96.1)	67.0
Total comprehensive income for the period	372.6	1,667.9
Attributable to:		
Equity holders of the Company	372.7	1,667.9
Non-controlling interests	(0.1)	–
Total comprehensive income for the period	372.6	1,667.9

The notes on pages 15 to 28 are an integral part of this Interim Financial Information.

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2015

	Note	Unaudited 30 June 2015 HK\$'M	Audited 31 December 2014 HK\$'M
ASSETS AND LIABILITIES			
Non-current assets			
Investment properties	13	20,843.6	20,586.1
Other properties, plant and equipment	13	57.7	58.4
Investments in joint ventures	22	517.2	482.3
Loans to joint ventures	22	1,980.0	1,905.8
Investments in associates		97.5	100.0
Loans to associates		21.8	21.8
Deposits and loan receivables		17.7	17.5
Other financial assets		419.3	487.0
Deferred tax assets		2.0	4.5
Derivative financial instruments		2.2	–
		23,959.0	23,663.4
Current assets			
Properties for sale	14	1,269.2	1,322.2
Trade and other receivables, deposits and prepayments	15	364.1	777.0
Other financial assets		–	38.9
Derivative financial instruments		–	0.4
Sales proceeds held in stakeholders' accounts		1.1	79.1
Tax recoverable		12.2	40.7
Restricted bank deposits		14.6	13.5
Bank balances and cash		2,158.5	1,592.6
		3,819.7	3,864.4
Current liabilities			
Trade and other payables and accruals	16	367.7	404.4
Derivative financial instruments		18.0	18.9
Tax payable		58.2	46.2
Bank and other borrowings	17	64.2	63.8
		508.1	533.3
Net current assets		3,311.6	3,331.1
Total assets less current liabilities		27,270.6	26,994.5
Non-current liabilities			
Bank and other borrowings	17	3,782.9	3,815.0
Other long-term liability	4(d)	81.4	91.5
Derivative financial instruments		175.7	136.6
Deferred tax liabilities		297.3	271.2
		4,337.3	4,314.3
NET ASSETS		22,933.3	22,680.2
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	18	670.6	669.3
Reserves		22,261.6	22,009.7
		22,932.2	22,679.0
Non-controlling interests		1.1	1.2
TOTAL EQUITY		22,933.3	22,680.2

The notes on pages 15 to 28 are an integral part of this Interim Financial Information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2015

	Unaudited											
	Attributable to equity holders of the Company											
	Share capital HK\$'M	Share premium HK\$'M	Hedging reserve HK\$'M	Investment revaluation reserve HK\$'M	Employee share-based compensation reserve HK\$'M	Other property revaluation reserve HK\$'M	Translation reserve HK\$'M	Contributed surplus HK\$'M	Retained profits HK\$'M	Total HK\$'M	Non-controlling interests HK\$'M	Total equity HK\$'M
At 1 January 2015	669.3	3,283.8	(61.3)	265.9	13.7	64.1	31.7	751.0	17,660.8	22,679.0	1.2	22,680.2
Comprehensive income												
Profit for the period	-	-	-	-	-	-	-	-	468.8	468.8	(0.1)	468.7
Other comprehensive income												
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(2.9)	-	-	(2.9)	-	(2.9)
Net fair value loss arising from revaluation of available-for-sale financial assets	-	-	-	(66.7)	-	-	-	-	-	(66.7)	-	(66.7)
Net loss on cash flow hedge	-	-	(29.7)	-	-	-	-	-	-	(29.7)	-	(29.7)
Net gain on net investment hedge	-	-	3.2	-	-	-	-	-	-	3.2	-	3.2
Total comprehensive income	-	-	(26.5)	(66.7)	-	-	(2.9)	-	468.8	372.7	(0.1)	372.6
Transactions with owners												
Value of employee services relating to grants of incentive shares	-	-	-	-	3.9	-	-	-	-	3.9	-	3.9
Incentive shares exercised	1.3	9.5	-	-	(9.5)	-	-	-	-	1.3	-	1.3
2014 final dividend paid	-	-	-	-	-	-	-	-	(124.7)	(124.7)	-	(124.7)
Total transactions with owners	1.3	9.5	-	-	(5.6)	-	-	-	(124.7)	(119.5)	-	(119.5)
At 30 June 2015	670.6	3,293.3	(87.8)	199.2	8.1	64.1	28.8	751.0	18,004.9	22,932.2	1.1	22,933.3

	Unaudited											Total equity HK\$'M
	Attributable to equity holders of the Company										Non- controlling interests HK\$'M	
	Share capital HK\$'M	Share premium HK\$'M	Hedging reserve HK\$'M	Investment revaluation reserve HK\$'M	Employee share-based compensation reserve HK\$'M	Other property revaluation reserve HK\$'M	Translation reserve HK\$'M	Contributed surplus HK\$'M	Retained profits HK\$'M	Total HK\$'M		
At 1 January 2014	667.6	3,273.6	(30.6)	178.1	15.5	64.1	76.5	751.0	15,897.9	20,893.7	1.5	20,895.2
Comprehensive income												
Profit for the period	-	-	-	-	-	-	-	-	1,600.9	1,600.9	-	1,600.9
Other comprehensive income												
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(5.0)	-	-	(5.0)	-	(5.0)
Net fair value gain arising from revaluation of available-for-sale financial assets	-	-	-	75.9	-	-	-	-	-	75.9	-	75.9
Net loss on cash flow hedge	-	-	(0.9)	-	-	-	-	-	-	(0.9)	-	(0.9)
Net loss on net investment hedge	-	-	(3.0)	-	-	-	-	-	-	(3.0)	-	(3.0)
Total comprehensive income	-	-	(3.9)	75.9	-	-	(5.0)	-	1,600.9	1,667.9	-	1,667.9
Transactions with owners												
Value of employee services relating to grants of incentive shares	-	-	-	-	3.9	-	-	-	-	3.9	-	3.9
Value of employee services relating to lapse of incentive shares	-	-	-	-	(1.0)	-	-	-	-	(1.0)	-	(1.0)
Incentive shares exercised	1.7	10.2	-	-	(10.2)	-	-	-	-	1.7	-	1.7
2013 final dividend paid	-	-	-	-	-	-	-	-	(124.5)	(124.5)	-	(124.5)
Total transactions with owners	1.7	10.2	-	-	(7.3)	-	-	-	(124.5)	(119.9)	-	(119.9)
At 30 June 2014	669.3	3,283.8	(34.5)	254.0	8.2	64.1	71.5	751.0	17,374.3	22,441.7	1.5	22,443.2

The notes on pages 15 to 28 are an integral part of this Interim Financial Information.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2015

	Unaudited	
	Six months ended 30 June 2015 HK\$'M	2014 HK\$'M
Net cash generated from/(used in) operating activities	743.6	(105.5)
Cash flows from investing activities		
Additions of investment properties	(3.7)	(4.0)
Net advance of loans to joint ventures	(64.2)	(91.4)
Other investing cash net inflow	43.5	30.2
Net cash used in investing activities	(24.4)	(65.2)
Cash flows from financing activities		
Bank and other borrowings raised	14.5	202.2
Repayment of bank and other borrowings	(31.9)	(562.1)
Dividends paid by the Company	(124.7)	(124.5)
Other financing cash net outflow	(7.7)	–
Net cash used in financing activities	(149.8)	(484.4)
Increase/(decrease) in cash and cash equivalents	569.4	(655.1)
Cash and cash equivalents at the beginning of the period	1,538.1	1,183.8
Cash and cash equivalents at the end of the period	2,107.5	528.7
Analysis of balances of cash and cash equivalents		
Bank balances and cash	2,158.5	585.4
Less: Deposits with maturity of more than three months	(51.0)	(56.7)
	2,107.5	528.7

The notes on pages 15 to 28 are an integral part of this Interim Financial Information.

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2015

1. GENERAL INFORMATION

The Company is a limited liability company incorporated in Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office is Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda.

The Company is an investment holding company. Its principal subsidiaries are engaged in property development, property investment and management and hospitality investment and management. The Company and its subsidiaries are hereinafter collectively referred to as the Group.

The Group's joint ventures and associates are principally engaged in property investment, property development and hospitality investment.

This Interim Financial Information is presented in million of Hong Kong dollars (HK\$'M), unless otherwise stated. It has been reviewed by the Company's Audit Committee. It has also been approved for issue by the Board of Directors on 26 August 2015.

2. BASIS OF PREPARATION

This Interim Financial Information for the six months ended 30 June 2015 has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2014.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Interim Financial Information are consistent with those adopted and described in the Company's annual financial statements for the year ended 31 December 2014, except for the adoption of new standards, revised standards, amendments and improvements to standards and interpretations of Hong Kong Financial Reporting Standards ("HKFRS") as of 1 January 2015, noted below.

(a) New standards, revised standards, amendments and improvements to standards effective for the current accounting period beginning on 1 January 2015 and relevant to the Group

HKAS 19 (2011) (Amendment)	Defined benefit plans – employee contributions
HKFRS 7 (Amendment) and HKFRS 9 (Amendment)	Mandatory effective date of HKFRS 9 and transition disclosures
Annual improvements 2012	
Annual improvements 2013	

The adoption of the new or revised standards, amendments and improvements to standards stated above did not have any significant impact to the Group's Interim Financial Information in the current and prior periods.

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2015

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) New standards, revised standards, amendments and improvements to standards that are not yet effective in 2015 and have not been early adopted by the Group

The Group has not early adopted the following new standards, revised standards, amendments and improvements to standards that have been issued but are not yet effective for the period.

		Effective for accounting periods beginning on or after
HKAS 1 (Amendment)	Disclosure initiative	1 January 2016
HKAS 16 (Amendment) and HKAS 38 (Amendment)	Clarification of acceptable methods of depreciation and amortisation	1 January 2016
HKAS 27 (Amendment)	Equity method in separate financial statements	1 January 2016
HKFRS 10 (Amendment), HKFRS 12 (Amendment) and HKAS 28 (2011) (Amendment)	Investment entities: applying the consolidation exception	1 January 2016
HKFRS 10 and HKAS 28 (Amendment)	Sale or contribution of assets between an investor and its associate or joint venture	1 January 2016
HKFRS 11 (Amendment)	Accounting for acquisitions of interests in joint operations	1 January 2016
HKFRS 14	Regulatory deferral accounts	1 January 2016
HKFRS 15	Revenue from contracts with customers	1 January 2018
HKFRS 9	Financial instruments	1 January 2018
Annual improvements 2014		1 January 2016

The Group is in the process of making assessment of the impact of these new standards, revised standards, amendments and improvements to standards and is not yet in a position to state whether they would have a significant impact on the Group's results and financial position.

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest risk and price risk), credit risk and liquidity risk.

The Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statement as at 31 December 2014.

There have been no changes in any risk management policies since the year end.

(b) Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

(b) Fair value estimation (Continued)

The following tables present the Group's assets and liabilities that are measured at fair value at 30 June 2015 and 31 December 2014.

	Level 1 HK\$'M	Level 2 HK\$'M	Level 3 HK\$'M	Total HK\$'M
At 30 June 2015				
Assets				
Other financial assets				
Available-for-sale financial assets				
– listed securities	419.3	–	–	419.3
Derivative financial instruments				
– interest rate swap contracts	–	2.2	–	2.2
	419.3	2.2	–	421.5
Liabilities				
Derivative financial instruments				
– interest rate swap contracts	–	9.2	–	9.2
– cross currency swap contracts	–	184.5	–	184.5
Other long-term liability	–	–	81.4	81.4
	–	193.7	81.4	275.1
At 31 December 2014				
Assets				
Other financial assets				
Available-for-sale financial assets				
– listed securities	485.9	–	–	485.9
– unlisted securities	–	1.1	–	1.1
Derivative financial instruments				
– forward exchange contracts	–	0.4	–	0.4
	485.9	1.5	–	487.4
Liabilities				
Derivative financial instruments				
– interest rate swap contracts	–	16.6	–	16.6
– cross currency swap contracts	–	138.9	–	138.9
Other long-term liability	–	–	91.5	91.5
	–	155.5	91.5	247.0

During the six-month period ended 30 June 2015, there were no transfer between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

There were no other changes in valuation techniques during the period.

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2015

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

(c) Valuation techniques used to derive Level 2 fair values

Level 2 financial instruments comprise cross currency swap and interest rate swap contracts. The fair values are calculated as the present values of the estimated future cash flows based on forward exchanges rates that are quoted in an active market and/or forward interest rates extracted from observable yield curves.

(d) Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in Level 3 instruments for the six months ended 30 June 2015 and 2014.

	Other long-term liability	
	2015	2014
	HK\$'M	HK\$'M
At 1 January	91.5	58.9
Company contributions	–	(0.4)
Fair value (gain)/loss recognised in profit or loss (Note 8)	(10.1)	6.8
At 30 June	81.4	65.3
Total unrealised (gain)/loss for the period included in profit or loss for liabilities held at the end of the reporting period	(10.1)	6.8

Other long-term liability represents provisions of liabilities in relation to indemnifying a third party against the cost of winding up the pension scheme of a disposed business in 2012. Assumptions like investment rate of return, forecast price inflation rate, pension increase rate and numerous demographic assumptions have been used in the fair value estimates.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Interim Financial Information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this Interim Financial Information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2014.

6. REVENUE AND SEGMENT INFORMATION

Revenue represents the net amounts received and receivable from third parties net of value added tax and discounts in connection with the following activities:

	Six months ended 30 June	
	2015	2014
	HK\$'M	HK\$'M
Sale of properties and project management income	115.3	897.8
Rental and property management income	413.3	406.8
Dividend income from available-for-sale financial assets	11.2	12.4
	539.8	1,317.0

6. REVENUE AND SEGMENT INFORMATION (Continued)

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Executive Directors in order to allocate resources to the segment and to assess its performance.

Segment information are analysed on the basis of the Group's operating divisions. They are (i) Property Development, (ii) Property Investment and Management, (iii) Hospitality Investment and Management and (iv) Others. Others represent mainly investing activities and corporate activities including central management and administrative function.

	Property development HK\$'M	Property investment and management HK\$'M	Hospitality investment and management HK\$'M	Others HK\$'M	Elimination HK\$'M	Total HK\$'M
For the six months ended 30 June 2015						
REVENUE						
External sales	115.3	342.1	71.2	11.2	–	539.8
Inter-segment sales	–	3.9	0.4	–	(4.3)	–
Total	115.3	346.0	71.6	11.2	(4.3)	539.8
RESULTS						
Profit/(loss) before change in fair value of investment properties and financial instruments	(1.8)	245.6	20.0	(38.2)	–	225.6
Change in fair value of investment properties and financial instruments	–	285.6	(30.8)	9.7	–	264.5
Profit/(loss) from operations	(1.8)	531.2	(10.8)	(28.5)	–	490.1
Finance costs	–	(28.5)	(9.5)	(33.9)	18.0	(53.9)
Finance income	–	2.8	3.1	20.1	(18.0)	8.0
Share of results of joint ventures	82.2	(2.7)	(4.3)	–	–	75.2
Share of results of associates	–	–	1.0	–	–	1.0
Profit/(loss) before taxation	80.4	502.8	(20.5)	(42.3)	–	520.4
Taxation						(51.7)
Profit for the period						468.7
Other items						
Depreciation and amortisation	–	1.0	–	1.5	–	2.5
Gain on disposal of other properties, plant and equipment, net	–	(0.1)	–	–	–	(0.1)

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2015

6. REVENUE AND SEGMENT INFORMATION (Continued)

	Property development HK\$'M	Property investment and management HK\$'M	Hospitality investment and management HK\$'M	Others HK\$'M	Elimination HK\$'M	Total HK\$'M
For the six months ended 30 June 2014						
REVENUE						
External sales	897.8	332.8	74.0	12.4	–	1,317.0
Inter-segment sales	–	6.6	–	–	(6.6)	–
Total	897.8	339.4	74.0	12.4	(6.6)	1,317.0
RESULTS						
Profit/(loss) before change in fair value of investment properties and financial instruments	162.4	247.3	30.9	(39.8)	–	400.8
Change in fair value of investment properties and financial instruments	–	1,314.4	26.3	(6.8)	–	1,333.9
Profit/(loss) from operations	162.4	1,561.7	57.2	(46.6)	–	1,734.7
Finance costs	(2.7)	(49.7)	(8.4)	(29.0)	19.1	(70.7)
Finance income	0.1	0.7	2.8	21.3	(19.1)	5.8
Share of results of joint ventures	10.5	(5.0)	(3.8)	–	–	1.7
Share of results of associates	0.4	–	(0.6)	–	–	(0.2)
Profit/(loss) before taxation	170.7	1,507.7	47.2	(54.3)	–	1,671.3
Taxation						(70.4)
Profit for the period						1,600.9
Other items						
Depreciation and amortisation	3.9	1.0	–	2.1	–	7.0
Loss/(gain) on disposal of other properties, plant and equipment, net	2.9	0.4	–	(0.3)	–	3.0

The following is an analysis of the Group's revenue by geographical areas in which the customer is located, irrespective of the origin of the goods/services:

	Six months ended 30 June	
	2015 HK\$'M	2014 HK\$'M
Hong Kong	497.7	1,276.7
The PRC	17.6	15.8
United Kingdom	10.9	10.1
Singapore	12.2	13.2
Others	1.4	1.2
	539.8	1,317.0

7. OTHER GAINS, NET

	Six months ended 30 June	
	2015	2014
	HK\$'M	HK\$'M
Amortisation of interest income on held-to-maturity investments	0.4	0.9
Exchange losses, net	(0.4)	(2.9)
Compensation income arising from termination of a serviced residences operating agreement	–	8.1
Others	2.1	1.7
	2.1	7.8

8. CHANGE IN FAIR VALUE OF INVESTMENT PROPERTIES AND FINANCIAL INSTRUMENTS

	Six months ended 30 June	
	2015	2014
	HK\$'M	HK\$'M
Change in fair value of investment properties (Note 13)	245.2	1,345.7
Change in fair value of financial instruments		
– Net fair value gain/(loss) on derivative financial instruments	9.2	(5.0)
– Gain/(loss) on financial liabilities at fair value through profit or loss classified under other long-term liability	10.1	(6.8)
	19.3	(11.8)
	264.5	1,333.9

9. PROFIT FROM OPERATIONS

	Six months ended 30 June	
	2015	2014
	HK\$'M	HK\$'M
Profit from operations has been arrived at after charging/(crediting) the following:		
Share-based compensation expenses net of lapse of incentive shares	5.2	4.6
Staff costs including directors' remuneration	114.2	102.5
Amortisation of interest income on held-to-maturity investments	(0.4)	(0.9)
Depreciation of other properties, plant and equipment	2.5	7.0
Direct operating expenses arising from investment properties generating rental income	76.3	73.3
(Gain)/loss on disposal of other properties, plant and equipment	(0.1)	3.0
Operating lease rental expenses in respect of land and buildings	0.5	0.7

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2015

10. TAXATION

Hong Kong profits tax has been calculated at 16.5% (2014: 16.5%) of the estimated assessable profits for the period. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

The amount of taxation charged to the condensed consolidated income statement represents:

	Six months ended 30 June	
	2015	2014
	HK\$'M	HK\$'M
Current taxation		
– Hong Kong profits tax	23.2	41.2
– Over-provision in prior years	(1.2)	–
– Taxation in other jurisdictions	0.1	–
	22.1	41.2
Deferred taxation		
– Change in fair value of investment properties	9.2	11.3
– Temporary differences on tax depreciation	8.7	5.3
– Utilisation of tax losses	11.6	12.7
– Withholding tax	0.1	(0.1)
	29.6	29.2
Income tax expenses	51.7	70.4

11. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share for profit attributable to equity holders of the Company is based on the following financial information:

	Six months ended 30 June	
	2015	2014
	HK\$'M	HK\$'M
Profit attributable to equity holders of the Company	468.8	1,600.9

	Six months ended 30 June	
	2015	2014
Weighted average number of ordinary shares in issue	1,340,077,043	1,336,361,747
Effect of dilutive potential shares issuable under the Company's share incentive scheme	4,114,755	4,657,653
Weighted average number of shares for the purpose of calculating diluted earnings per share	1,344,191,798	1,341,019,400

12. INTERIM DIVIDEND

	Six months ended 30 June	
	2015	2014
	HK\$'M	HK\$'M
Interim dividend of HK4.2 cents (2014: HK4.2 cents) per ordinary share	56.3	56.2

On 26 August 2015, the board of directors has resolved to declare an interim dividend of HK4.2 cents (2014: HK4.2 cents) per ordinary share. This interim dividend, amounting to HK\$56.3M (2014: HK\$56.2M), has not been recognised as a liability in this Interim Financial Information. It will be recognised in shareholders' equity in the year ending 31 December 2015.

13. CAPITAL EXPENDITURE

	Investment properties HK\$'M	Other properties, plant and equipment HK\$'M
Opening net book value at 1 January 2015	20,586.1	58.4
Exchange differences	8.6	–
Net gain arising from change in fair value	245.2	–
Additions	3.7	1.8
Depreciation and amortisation	–	(2.5)
Closing net book value at 30 June 2015	20,843.6	57.7
Opening net book value at 1 January 2014	19,002.7	68.0
Exchange differences	12.0	–
Gain arising from change in fair value	1,345.7	–
Additions	4.0	4.4
Disposals	–	(4.0)
Depreciation and amortisation	–	(7.0)
Closing net book value at 30 June 2014	20,364.4	61.4

The Group's investment properties are stated at revalued amounts based on professional valuations at 30 June 2015 on an open market value basis. The Group engaged Savills Valuation and Professional Services Limited, Jones Lang LaSalle Limited and Savills (UK) Limited to value its investment properties. The values have been made with reference to comparable current prices in an active market and income capitalisation approach from current leases and assumptions about lease from future leases in light of current market conditions and reversionary income potential.

14. PROPERTIES FOR SALE

	30 June 2015 HK\$'M	31 December 2014 HK\$'M
Properties under development held for sale	1,083.0	1,056.7
Completed properties	186.2	265.5
	1,269.2	1,322.2

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2015

15. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	30 June 2015 HK\$'M	31 December 2014 HK\$'M
Trade receivables	17.1	99.4
Deferred rent receivables	15.9	12.5
Amounts due from and loans to joint ventures	235.9	589.9
Amounts due from and loans to associates	0.8	1.2
Other receivables, deposits and prepayments	94.4	74.0
	364.1	777.0

The Group allows different credit periods to its customers. Credit periods vary from 30 to 90 days in accordance with the industry practice. The following is an ageing analysis of the Group's trade receivables (net of provision) at the balance sheet date:

	30 June 2015 HK\$'M	31 December 2014 HK\$'M
Not yet due	7.2	87.7
1 – 30 days	4.6	3.1
31 – 90 days	2.2	5.8
Over 90 days	3.1	2.8
	17.1	99.4

16. TRADE AND OTHER PAYABLES AND ACCRUALS

	30 June 2015 HK\$'M	31 December 2014 HK\$'M
Trade payables	6.5	5.7
Properties sale deposits received	6.3	6.2
Rental deposits received	169.3	162.2
Construction costs payables	59.8	64.6
Amounts due to joint ventures	1.3	1.2
Amounts due to associates	0.1	0.2
Provision for other costs arising from disposal of subsidiaries	5.1	6.0
Other creditors and accruals	119.3	158.3
	367.7	404.4

16. TRADE AND OTHER PAYABLES AND ACCRUALS (Continued)

The following is an ageing analysis of the Group's trade payables at the balance sheet date:

	30 June 2015 HK\$'M	31 December 2014 HK\$'M
0 – 30 days	5.0	4.7
31 – 90 days	0.5	0.4
Over 90 days	1.0	0.6
	6.5	5.7

17. BANK AND OTHER BORROWINGS

	30 June 2015 HK\$'M	31 December 2014 HK\$'M
Bank borrowings	2,002.9	2,016.2
Fixed rate bonds	1,844.2	1,862.6
	3,847.1	3,878.8

The bank and other borrowings carry interest at the prevailing market rates and are repayable as follows:

	30 June 2015 HK\$'M	31 December 2014 HK\$'M
Within one year	64.2	63.8
Between one and two years	629.2	459.1
Between two and five years	1,247.6	1,427.3
After five years	1,906.1	1,928.6
	3,847.1	3,878.8
Less: Amounts due within one year shown under current liabilities	(64.2)	(63.8)
Amounts due after one year	3,782.9	3,815.0
Analysed as		
secured	2,002.9	2,016.2
unsecured	1,844.2	1,862.6
	3,847.1	3,878.8

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2015

18. SHARE CAPITAL

	Number of ordinary shares of HK\$0.50 each	Amount HK\$'M
Authorised:		
At 1 January 2014, 31 December 2014 and 30 June 2015	2,000,000,000	1,000.0
Issued and fully paid:		
At 1 January 2014	1,335,297,529	667.6
Issue of shares on exercise of incentive shares	3,308,000	1.7
At 31 December 2014	1,338,605,529	669.3
At 1 January 2015	1,338,605,529	669.3
Issue of shares on exercise of incentive shares	2,699,500	1.3
At 30 June 2015	1,341,305,029	670.6

19. COMMITMENTS

	30 June 2015 HK\$'M	31 December 2014 HK\$'M
Expenditure in respect of investment properties		
– contracted but not provided for	1.1	1.6
Capital injection to joint ventures		
– contracted but not provided for	385.9	393.2
	387.0	394.8

20. CONTINGENT LIABILITIES

The Group's contingent liabilities as at the balance sheet date are as follows:

	30 June 2015 HK\$'M	31 December 2014 HK\$'M
Guarantees given to banks in respect of banking facilities extend to		
– joint ventures	2,736.2	2,745.1
– an associate	112.5	112.5
	2,848.7	2,857.6

At 30 June 2015, bank loans of HK\$1,457.5M (31 December 2014: HK\$1,701.6M) and HK\$112.5M (31 December 2014: HK\$112.5M) being guaranteed by the Group to joint ventures and an associate respectively have been drawn down.

21. PLEDGE OF ASSETS

At balance sheet date, several of the Group's assets were pledged to secure credit facilities for the Group:

	30 June 2015 HK\$'M	31 December 2014 HK\$'M
Investment properties	5,181.5	4,995.1
Properties for sale	1,083.0	1,056.7
Other financial assets	288.7	373.6
	6,553.2	6,425.4

The facilities were utilised to the extent of HK\$2,002.9M (31 December 2014: HK\$2,016.2M).

22. INVESTMENTS IN JOINT VENTURES

The following amounts represent the Group's respective share of the net assets and results of the joint ventures:

	30 June 2015 HK\$'M	31 December 2014 HK\$'M
Assets		
Non-current assets		
– Investment properties	1,142.6	1,166.4
– Other non-current assets	46.8	49.9
Current assets		
– Properties for sale	3,226.1	3,391.9
– Bank balances and cash	194.7	203.3
– Other current assets	274.8	203.4
Liabilities		
Current liabilities		
– Amounts due to shareholders	(235.9)	(589.9)
– Bank and other borrowings	(467.1)	(3.1)
– Other current liabilities	(289.4)	(215.0)
Non-current liabilities		
– Loans from shareholders	(1,980.0)	(1,905.8)
– Bank and other borrowings	(1,271.9)	(1,698.5)
– Other non-current liabilities	(123.5)	(120.3)
Net assets	517.2	482.3
	Six months ended 30 June	2014
	2015	2014
	HK\$'M	HK\$'M
Revenue	455.5	157.9
Profit from operations	95.0	3.3
Finance costs	(5.7)	(3.2)
Finance income	2.1	1.6
Profit before taxation	91.4	1.7
Taxation	(16.2)	–
Profit for the period	75.2	1.7

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2015

23. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) The Group had significant transactions with related parties during the period as follows:

	Six months ended 30 June	
	2015	2014
	HK\$'M	HK\$'M
Key management compensation (Note)		
Salaries and other benefits	(13.6)	(12.2)
Retirement benefits costs	(0.5)	(0.5)
Value of incentive shares	(2.9)	(1.9)
	(17.0)	(14.6)
Interest income from loans to a joint venture	2.9	2.5
Project management fee income from joint ventures	2.7	14.9
Serviced apartment management fee income from an associate	1.1	1.2
Serviced apartment management and license fee income from a joint venture	0.7	0.2
Serviced apartment management and license fee income from a substantial shareholder of the Company	1.8	1.8
Property rental income from a joint venture	4.7	3.8
Property rental income from a substantial shareholder of the Company	3.0	2.5

These transactions were carried out on terms mutually agreed between the parties involved.

Note: Key management personnel represents the directors of the Group.

(b) Outstanding balances with these related parties at the reporting dates are:

	30 June 2015	31 December 2014
	HK\$'M	HK\$'M
Non-current loans to joint ventures	1,980.0	1,905.8
Amounts due from and current loans to joint ventures	235.9	589.9
Amounts due to joint ventures	1.3	1.2
Non-current loans to associates	21.8	21.8
Amounts due from and current loans to associates	0.8	1.2
Amounts due to associates	0.1	0.2

24. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

On 17 August 2015, the Group entered into a sale and purchase agreement with an independent third party to acquire a commercial property in London, which is held for long-term investment. Total consideration including transaction cost is approximately HK\$255M. The acquisition is expected to complete in September 2015.

On 21 August 2015, the Group announced the formation of a joint venture with an independent third party to acquire another commercial property in London, which is held for long-term investment. The Group has 25% interest in the joint venture. The Group's investment in the joint venture is approximately HK\$570M. The acquisition is expected to complete in September 2015.

25. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current period's presentation as a result of changes in presentation of the consolidated income statement.

GENERAL INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2015, the interests of the Directors and the Chief Executive of the Company in shares and underlying shares of the Company and 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 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 Issuers (the "Model Code") set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") are as follows:

Interests in the Company

Director	Number of shares held				Number of underlying shares held under equity derivatives (Note f)	Aggregate interests	Approx. percentage of the issued share capital (Note a)
	Personal interests	Family interests	Corporate interests	Other interests			
Cheng Wai Chee, Christopher	10,179,566	-	-	462,488,185 (Note b)	1,680,000	474,347,751	35.36%
Cheng Wai Sun, Edward	8,112,231	-	-	462,488,185 (Note b)	1,680,000	472,280,416	35.21%
Cheng Man Piu, Francis	-	-	-	462,488,185 (Note b)	-	462,488,185	34.48%
Chow Wai Wai, John	304,002	-	-	-	344,000	648,002	0.05%
Ng Kar Wai, Kenneth	-	-	-	-	1,272,000	1,272,000	0.09%
Kwok Ping Luen, Raymond	-	-	-	9,224,566 (Note d)	-	9,224,566	0.69%
Kwok Ho Lai, Edward (Alternate Director to Kwok Ping Luen, Raymond)	-	-	-	9,736,566 (Note c)	-	9,736,566	0.73%
Ng Tak Wai, Frederick	278,391	1,016,000	-	313,666 (Note e)	-	1,608,057	0.12%

Notes:

- (a) The total number of issued shares in the capital of the Company (the "Shares") as at 30 June 2015 was 1,341,305,029.
- (b) Cheng Wai Chee, Christopher, Cheng Wai Sun, Edward and Cheng Man Piu, Francis, being beneficiaries of a family trust, were deemed to be interested in 462,488,185 Shares beneficially owned by Brave Dragon Limited, Wing Tai Retail Pte. Ltd. and Crossbrook Group Limited as set out under the section headed Substantial Shareholders' Interests below. The same represented the same interests and was therefore duplicated amongst these three directors for the purpose of Part XV of the SFO.

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- (c) Kwok Ho Lai, Edward was deemed to be interested in 9,736,566 Shares by virtue of being a beneficiary of certain discretionary trusts for the purpose of Part XV of the SFO.
- (d) Of the said 9,736,566 Shares as stated in Note (c), Kwok Ping Luen, Raymond was deemed to be interested in 9,224,566 Shares by virtue of being a beneficiary of a trust for the purpose of Part XV of the SFO. Such Shares represented the same interests and were therefore duplicated between them.
- (e) 313,666 Shares were held by Ng Tak Wai, Frederick jointly with his spouse.
- (f) These interests represented the interests in underlying shares in respect of the incentive shares granted by the Company to these directors as beneficial owners. Details of which are set out in the section below headed Share Incentive Scheme.

SHARE INCENTIVE SCHEME

Under a Share Incentive Scheme approved by shareholders of the Company on 17 June 2005 (“Share Incentive Scheme”), the Board of Directors of the Company or a duly authorised committee thereof may in its absolute discretion make offer of awards to selected employees (including executive directors) of the Group to subscribe in cash at par value for shares of the Company.

The Share Incentive Scheme expired on 16 June 2015, no further incentive shares can be granted under the Share Incentive Scheme but the provisions of the Share Incentive Scheme remain in full force and effect in all other respects in relation to the incentive shares granted. All outstanding incentive shares granted and yet to be vested or exercised shall remain valid.

Details of the incentive shares granted and summary of the movements of the outstanding incentive shares for the period ended 30 June 2015 under the Share Incentive Scheme are as follows:

Director	Date of award	Number of incentive shares				As at 30.6.2015	Vesting date of the outstanding awards	Exercisable period	Fair value of incentive shares amortised (HK\$)
		As at 1.1.2015	Awards made during the period	Vested and exercised during the period	Cancelled/ lapsed during the period				
Cheng Wai Chee, Christopher	24.5.2012	550,000	-	550,000	-	-	N/A	N/A	30,000
	6.5.2013	160,750	-	160,750	-	-	N/A	N/A	26,000
	6.5.2013	321,500	-	-	-	321,500	23.1.2016	23.1.2016 to 6.5.2023	268,000
	28.5.2014	196,500	-	196,500	-	-	N/A	N/A	43,000
	28.5.2014	196,500	-	-	-	196,500	13.1.2016	13.1.2016 to 28.5.2024	232,000
	28.5.2014	393,000	-	-	-	393,000	13.1.2017	13.1.2017 to 28.5.2024	287,000
	28.5.2015	-	192,250	-	-	192,250	10.1.2016	10.1.2016 to 28.5.2025	197,000
	28.5.2015	-	192,250	-	-	192,250	10.1.2017	10.1.2017 to 28.5.2025	76,000
	28.5.2015	-	384,500	-	-	384,500	10.1.2018	10.1.2018 to 28.5.2025	92,000

Director	Date of award	Number of incentive shares					As at 30.6.2015	Vesting date of the outstanding awards	Exercisable period	Fair value of incentive shares amortised (HK\$)
		As at 1.1.2015	Awards made during the period	Vested and exercised during the period	Cancelled/ lapsed during the period					
Cheng Wai Sun, Edward	24.5.2012	550,000	-	550,000	-	-	N/A	N/A	30,000	
	6.5.2013	160,750	-	160,750	-	-	N/A	N/A	26,000	
	6.5.2013	321,500	-	-	-	321,500	23.1.2016	23.1.2016 to 6.5.2023	268,000	
	28.5.2014	196,500	-	196,500	-	-	N/A	N/A	43,000	
	28.5.2014	196,500	-	-	-	196,500	13.1.2016	13.1.2016 to 28.5.2024	232,000	
	28.5.2014	393,000	-	-	-	393,000	13.1.2017	13.1.2017 to 28.5.2024	287,000	
	28.5.2015	-	192,250	-	-	192,250	10.1.2016	10.1.2016 to 28.5.2025	197,000	
	28.5.2015	-	192,250	-	-	192,250	10.1.2017	10.1.2017 to 28.5.2025	76,000	
	28.5.2015	-	384,500	-	-	384,500	10.1.2018	10.1.2018 to 28.5.2025	92,000	

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Director	Date of award	Number of incentive shares					As at 30.6.2015	Vesting date of the outstanding awards	Exercisable period	Fair value of incentive shares amortised (HK\$)
		As at 1.1.2015	Awards made during the period	Vested and exercised during the period	Cancelled/ lapsed during the period					
Chow Wai Wai, John	6.5.2013	32,250	-	32,250	-	-	N/A	N/A	5,000	
	6.5.2013	64,500	-	-	-	64,500	23.1.2016	23.1.2016 to 6.5.2023	54,000	
	28.5.2014	39,500	-	39,500	-	-	N/A	N/A	9,000	
	28.5.2014	39,500	-	-	-	39,500	13.1.2016	13.1.2016 to 28.5.2024	46,000	
	28.5.2014	79,000	-	-	-	79,000	13.1.2017	13.1.2017 to 28.5.2024	58,000	
	28.5.2015	-	40,250	-	-	40,250	10.1.2016	10.1.2016 to 28.5.2025	41,000	
	28.5.2015	-	40,250	-	-	40,250	10.1.2017	10.1.2017 to 28.5.2025	16,000	
	28.5.2015	-	80,500	-	-	80,500	10.1.2018	10.1.2018 to 28.5.2025	19,000	

Director	Date of award	Number of incentive shares					As at 30.6.2015	Vesting date of the outstanding awards	Exercisable period	Fair value of incentive shares amortised (HK\$)
		As at 1.1.2015	Awards made during the period	Vested and exercised during the period	Cancelled/ lapsed during the period					
Ng Kar Wai, Kenneth	15.6.2015	-	106,000	-	-	106,000	21.1.2017	21.1.2017 to 15.6.2025	20,000	
	15.6.2015	-	106,000	-	-	106,000	21.1.2018	21.1.2018 to 15.6.2025	12,000	
	15.6.2015	-	212,000	-	-	212,000	21.1.2019	21.1.2019 to 15.6.2025	18,000	
	15.6.2015	-	106,000	-	-	106,000	21.1.2018	21.1.2018 to 15.6.2025	12,000	
	15.6.2015	-	106,000	-	-	106,000	21.1.2019	21.1.2019 to 15.6.2025	9,000	
	15.6.2015	-	212,000	-	-	212,000	21.1.2020	21.1.2020 to 15.6.2025	14,000	
	15.6.2015	-	106,000	-	-	106,000	21.1.2019	21.1.2019 to 15.6.2025	8,000	
	15.6.2015	-	106,000	-	-	106,000	21.1.2020	21.1.2020 to 15.6.2025	7,000	
	15.6.2015	-	212,000	-	-	212,000	21.1.2021	21.2.2021 to 15.6.2025	11,000	

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Employees	Date of award	Number of incentive shares				As at 30.6.2015	Vesting date of the outstanding awards	Exercisable period	Fair value of incentive shares amortised (HK\$)
		As at 1.1.2015	Awards made during the period	Vested and exercised during the period	Cancelled/ lapsed during the period				
Employees In aggregate	24.5.2012	540,000	-	540,000	-	-	N/A	N/A	29,000
	6.5.2013	126,000	-	126,000	-	-	N/A	N/A	21,000
	6.5.2013	252,000	-	-	-	252,000	23.1.2016	23.1.2016 to 6.5.2023	205,000
	28.5.2014	158,000	-	147,250	-	10,750	13.1.2015	13.1.2015 to 28.5.2024	34,000
	28.5.2014	158,000	-	-	-	158,000	13.1.2016	13.1.2016 to 28.5.2024	186,000
	28.5.2014	316,000	-	-	-	316,000	13.1.2017	13.1.2017 to 28.5.2024	230,000
	28.5.2015	-	185,750	-	-	185,750	10.1.2016	10.1.2016 to 28.5.2025	189,000
	28.5.2015	-	185,750	-	-	185,750	10.1.2017	10.1.2017 to 28.5.2025	73,000
	28.5.2015	-	371,500	-	-	371,500	10.1.2018	10.1.2018 to 28.5.2025	90,000
		5,441,250	3,714,000	2,699,500	-	6,455,750			

Note: Subscription price per share is the par value of one ordinary share of the Company. Funds for subscription of ordinary shares will be provided by the Company when the right to subscribe for ordinary shares of the Company is exercised.

Save as disclosed above, at no time during the period was the Company or any of its subsidiaries, holding companies or fellow subsidiaries a party to any arrangement that may enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

FAIR VALUES OF INCENTIVE SHARES AWARDED

The fair values of incentive shares awarded during the period ended 30 June 2015 are determined by using the Binominal Option Pricing Model (the “Model”). Key assumptions of the Model are as follows:

Risk-free rate	1.57% – 1.80%
Expected dividend yield	3.38%
Expected volatility of the market price of the Company’s shares	27.0% – 27.28%
Expected life	10 years from the date of award

The Model requires the input of subjective assumptions, including the volatility of share price. Because changes in subjective assumptions can materially affect the fair value estimate, in the directors’ opinion, the existing model does not necessarily provide a reliable single measure of the fair value of incentive shares.

SUBSTANTIAL SHAREHOLDERS’ INTERESTS

As at 30 June 2015, the following persons (other than the Directors and the Chief Executive of the Company) had interests in the shares of the Company as recorded in the register kept by the Company under section 336 of the SFO:

Name of Shareholder	Capacity	Number of Shares interested	Approx. percentage of the issued share capital
1. Brave Dragon Limited	Beneficial owner	141,794,482	10.57%
2. Crossbrook Group Limited	Beneficial owner	270,411,036	20.16%
3. Wing Tai Holdings Limited	Interest of controlled corporation	462,488,185 (Notes 2(a) & 3)	34.48%
4. Deutsche Bank International Trust Co. Limited	Trustee	462,488,185 (Notes 2(b) & 4)	34.48%
5. Deutsche Bank International Trust Co. (Cayman) Limited	Trustee	462,488,185 (Notes 2(b) & 4)	34.48%
6. Wing Tai Corporation Limited	Interest of controlled corporation	182,560,826 (Note 5)	13.61%
7. Renowned Development Limited	Interest of controlled corporation	182,560,826 (Notes 2(c) & 5)	13.61%
8. Wing Tai (Cheng) Holdings Limited	Interest of controlled corporation	199,884,783 (Notes 2(c) & 6)	14.90%
9. Sun Hung Kai Properties Limited	Interest of controlled corporation	183,612,533 (Note 7)	13.69%

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Name of Shareholder	Capacity	Number of Shares interested	Approx. percentage of the issued share capital
10. Gala Land Investment Company Limited	Beneficial owner	101,579,467	7.57%
11. Farnham Group Limited	Interest of controlled corporation	101,579,467 (Notes 2(d) & 8)	7.57%
12. Chow Chung Kai	Beneficial owner, interest of spouse, controlled corporation and other	180,024,824 (Notes 2(d) & 9)	13.42%
13. Chow Yu Yue Chen	Beneficial owner, interest of spouse and controlled corporation	150,812,777 (Notes 2(d) & 10)	11.24%

Notes:

- 1 The total number of issued Shares as at 30 June 2015 was 1,341,305,029.
- 2 The interests disclosed duplicated in the following manners and to the following extent:
 - (a) the interests of parties 1 and 2 were included in the interests of party 3.
 - (b) the interests of party 3 duplicated with the interests of parties 4 and 5 entirely.
 - (c) the interests of party 6 duplicated with the interests of party 7 entirely and were included in the interests of party 8.
 - (d) the interests of party 10 duplicated with the interests of party 11 entirely and were included in the interests of parties 12 and 13.
- 3 Wing Tai Holdings Limited beneficially owned 89.4% of the issued share capital of Brave Dragon Limited, 100% of the issued share capital of Crossbrook Group Limited and 100% of the issued shares capital of Wing Tai Retail Pte. Ltd. Wing Tai Retail Pte. Ltd. owned 50,282,667 Shares.
- 4 Deutsche Bank International Trust Co. Limited was the trustee of a family trust (of which Cheng Wai Chee, Christopher, Cheng Wai Sun, Edward and Cheng Man Piu, Francis were beneficiaries) which held all units of a unit trust ("Unit Trust"). Deutsche Bank International Trust Co. (Cayman) Limited was the trustee of the Unit Trust which beneficially owned 100% of the issued shares of Wing Tai Asia Holdings Limited and 61.3% of the issued shares of Terebene Holdings Inc. Wing Tai Asia Holdings Limited, through its wholly-owned subsidiary, Wing Sun Development Private Limited, held 28.36% of the issued shares of Wing Tai Holdings Limited. Terebene Holdings Inc. held 59.3% of the issued shares of Winlyn Investment Pte Ltd. which in turn held 9.28% of the issued shares of Wing Tai Holdings Limited.
- 5 Wing Tai Corporation Limited beneficially owned 100% of the issued share capital of Bestime Resources Limited ("Bestime") and Pofung Investments Limited ("Pofung") and, therefore, by virtue of its corporate interest in Bestime and Pofung, Wing Tai Corporation Limited was deemed to be interested in 93,629,998 Shares and 88,930,828 Shares held by Bestime and Pofung respectively.

By virtue of the corporate interest of Renowned Development Limited in Wing Tai Corporation Limited, the former was deemed to be interested in the latter's interest in the Shares.
- 6 By virtue of the corporate interest of Wing Tai (Cheng) Holdings Limited in Renowned Development Limited and Broxbourne Assets Limited, Wing Tai (Cheng) Holdings Limited was deemed to be interested in the interest of Renowned Development Limited and Broxbourne Assets Limited in the Shares. Broxbourne Assets Limited beneficially owned 17,323,957 Shares.

7 Sun Hung Kai Properties Limited (“SHKP”) beneficially owned 100% of the issued share capital of Wesmore Limited (“Wesmore”), Fourseas Investments Limited (“Fourseas”), Junwall Holdings Ltd. (“Junwall”), Sunrise Holdings Inc. (“Sunrise”) and Country World Limited (“Country World”). Wesmore held 111,928,210 Shares.

Fourseas beneficially owned 100% of the issued share capital of Soundworld Limited (“Soundworld”), Units Key Limited (“Units Key”) and Triple Surge Limited (“Triple Surge”). Soundworld, Units Key and Triple Surge were the beneficial owners of 20,869,323, 5,673,333 and 37,680,000 Shares respectively.

Junwall beneficially owned 100% of the issued share capital of Techglory Ltd. (“Techglory”). Techglory was the beneficial owner of 192,000 Shares.

Sunrise beneficially owned 100% of the issued share capital of Charmview International Limited (“Charmview”). Charmview was the beneficial owner of 7,141,600 Shares.

Country World beneficially owned 100% of the issued share capital of Erax Strong Development Ltd (“Erax Strong”). Erax Strong was the beneficial owner of 128,067 Shares.

By virtue of the corporate interest of SHKP in the aforesaid companies, SHKP was deemed to be interested in the interest of Soundworld, Units Key, Triple Surge, Techglory, Charmview and Erax Strong in the Shares.

8 Farnham Group Limited (“Farnham”) beneficially owned 100% of the issued share capital of Gala Land Investment Company Limited (“Gala Land”), therefore, Farnham was deemed to be interested in the 101,579,467 Shares held by Gala Land by virtue of its corporate interest therein.

9 Chow Chung Kai and his wife, Chow Yu Yue Chen, held 48,532,744 and 700,566 Shares respectively.

The estate of the late Chou Wen Hsien, of which Chow Chung Kai was the executor, was interested in 29,212,047 Shares.

Chow Chung Kai beneficially owned 50% of the issued share capital of Farnham and, therefore, Chow Chung Kai was deemed to be interested in the 101,579,467 Shares held by Gala Land by virtue of his corporate interest therein.

The estate of the late Chou Wen Hsien, of which Chow Chung Kai was the executor, was interested in 50% of the issued share capital of Farnham.

10 Chow Yu Yue Chen and her husband, Chow Chung Kai, held 700,566 and 48,532,744 Shares respectively.

Chow Chung Kai beneficially owned 50% of the issued share capital of Farnham and, therefore, Chow Yu Yue Chen was deemed to be interested in the 101,579,467 Shares held by Gala Land by virtue of Chow Chung Kai’s corporate interest therein.

Save as disclosed above, as at 30 June 2015, the Company had not been notified of any interests or short positions held by any substantial shareholder in the shares or underlying shares of the Company which are required to be recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

INTERESTS OF ANY OTHER PERSONS

As at 30 June 2015, the Company had not been notified of any persons other than the substantial shareholders who had interests or short positions in the shares or underlying shares of the Company, which are required to be recorded in the register required to be kept under section 336 of the SFO.

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DISCLOSURE PURSUANT TO RULE 13.20 OF THE LISTING RULES

As at 30 June 2015, the aggregate amounts due from and all guarantees given by the Group on behalf of the affiliated companies of Nan Fung Group Holdings Limited (the “Relevant Companies”) amounted to approximately 7% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules.

Details of the amounts for the Relevant Companies as at 30 June 2015 are as follows:

Name of the Relevant Company	Group's % of attributable equity interest therein	Amount of guarantee for loan facilities given on its behalf by the Company as at 30 June 2015 (Note 1)	Amount due from it to the Group as at 30 June 2015 (Note 2)	Total	Final maturity date of the loan facilities
		HK\$'M	HK\$'M	HK\$'M	
Century Rise Limited	15%	-	20.6	20.6	-
The Graces – Providence Bay Finance Company Limited	15%	-	13.8	13.8	-
Pacific Bond Limited	15%	-	65.8	65.8	-
Providence Bay Finance Company Limited	15%	-	7.9	7.9	-
Brave Sky Investments Limited	50%	756.3	577.5	1,333.8	the earlier of (a) 2 April 2016 or (b) the date falling 9 months after the issuance of the Certificate of Compliance by the Directors of Lands (or, if earlier, the issuance of the Consent to Assign)
Property Sky Limited	50%	-	378.3	378.3	-
Estate Success Limited	50%	-	3.9	3.9	-
Total				1,824.1	

Notes:

- All the loan facilities are secured by (among others) guarantees by the Company, Nan Fung Group Holdings Limited and its subsidiaries and associated companies and other joint venture partners on a several and proportional basis. All loan facilities carry interest at normal commercial rate agreed after arm's length negotiations with the lenders concerned.
- The amounts due from the Relevant Companies are all (i) unsecured, (ii) carrying interest at rates agreed from time to time by the joint venture partners concerned and (iii) without fixed repayment dates.

DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

At 30 June 2015, the aggregate amount of financial assistance to and guarantees given for facilities granted to affiliated companies by the Group amounted to HK\$5,376.1 million which exceeded 8% of the assets ratio as defined in Rule 14.07(1) of the Listing Rules.

An unaudited pro-forma combined balance sheet of these affiliated companies and the Group's attributable interest in these affiliated companies as at 30 June 2015 is presented below:

	Pro-forma combined balance sheet (HK\$'M)	Group's attributable interest (HK\$'M)
Non-current assets	3,823.7	1,566.6
Current assets	12,688.8	3,742.8
Current liabilities	(2,040.5)	(791.6)
Non-current liabilities	(4,596.8)	(1,683.7)
Amounts and loans due from shareholders	5.3	1.4
Amounts and loans due to shareholders	(5,973.0)	(2,220.8)
Net assets	3,907.5	614.7

AUDIT COMMITTEE

The Audit Committee has reviewed with the management and the auditor of the Company the unaudited interim financial report and considered the significant accounting principles and policies adopted by the Company and discussed with the management the internal control and financial reporting matters in respect of this interim report.

CORPORATE GOVERNANCE

The Company is committed to achieving and maintaining high standards of corporate governance and has established policies and procedures for compliance with regulatory requirements, including the requirements under the Listing Rules. The Company has complied with all the applicable code provisions of the Corporate Governance Code contained in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2015, except that the Chairman of the Board was unable to attend the Company's annual general meeting held on 21 May 2015 due to an important engagement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its code of conduct for securities transactions by directors of the Company.

All other directors have confirmed, following specific enquiry by the Company, that they had fully complied with the required standard set out in the Model Code throughout the six months ended 30 June 2015.

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UPDATE ON DIRECTORS' INFORMATION

Below are the changes of directors' information required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules.

The director's fee for each of Simon Murray, Fang Hung, Kenneth, Yeung Kit Shing, Jackson, Haider Hatam Tyebjee Barma and Cheng Hoi Chuen, Vincent, the independent non-executive directors of the Company, was increased from HK\$236,500 to HK\$260,000 for the year ending 31 December 2015.

Dr. Cheng Wai Chee, Christopher, the Chairman and an executive director of the Company, ceased to be a member of the council of The University of Hong Kong upon the expiry of the term on 31 July 2015.

Mrs. Chen Chou Mei Mei, Vivien, a non-executive director of the Company, was appointed as an independent non-executive director of Digiland International Limited (listed on the Singapore Stock Exchange) with effect from 24 June 2015.

Mr. Simon Murray, an independent non-executive director of the Company, was appointed and resigned as an independent non-executive director of CK Hutchison Holdings Limited (which is listed on the Hong Kong Stock Exchange on 18 March 2015) on 9 January 2015 and 3 June 2015 respectively.

He resigned as an independent non-executive director of Cheung Kong (Holdings) Limited (which was delisted on the Hong Kong Stock Exchange on 18 March 2015) on 3 June 2015.

He was appointed as an independent non-executive director of Cheung Kong Property Holdings Limited (which is listed on the Hong Kong Stock Exchange on 3 June 2015) with effect from 26 February 2015.

Mr. Murray resigned as the independent non-executive director and Chairman of Gulf Keystone Petroleum Ltd (quoted on the London Stock Exchange) on 31 March 2015.

He was re-designated from independent non-executive director to non-executive director of China LNG Group Limited with effect from 2 April 2015.

He has become the Non-Executive Chairman of General Enterprise Management Services Limited with effect from 1 July 2015.

Mr. Fang Hung, Kenneth, an independent non-executive director of the Company, resigned as a non-executive director of Jiangsu Expressway Company Limited on 23 June 2015.

Mr. Cheng Hoi Chuen, Vincent, an independent non-executive director of the Company, was appointed as an independent non-executive director of CK Hutchison Holdings Limited with effect from 3 June 2015.

Mr. Cheng is also an independent non-executive director of Hutchison Whampoa Limited whose listing was withdrawn in Hong Kong on 3 June 2015.

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

During the six months ended 30 June 2015, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares.

FINANCIAL SUMMARY

The following is a summary of the results and of the assets and liabilities of the Group for each of the six months period ended 30 June 2015 and 2014, and of the five years ended 31 December 2014:

	Interim results		Annual results					
	2015 HK\$'M	2014 HK\$'M	2014 HK\$'M	2013 HK\$'M	2012 HK\$'M (a & b)	2011 HK\$'M (a & b)	2010 HK\$'M (a & b)	
RESULTS								
Continuing operations								
Revenue	539.8	1,317.0	1,783.5	1,736.2	891.7	1,191.0	1,416.0	
Profit before taxation								
from continuing operations	520.4	1,671.3	2,033.1	2,746.2	4,612.1	2,847.4	2,515.2	
Taxation	(51.7)	(70.4)	(89.5)	(91.4)	(78.4)	(81.8)	(48.1)	
Profit for the period/year from continuing operations	468.7	1,600.9	1,943.6	2,654.8	4,533.7	2,765.6	2,467.1	
Profit/(loss) for the period/year from discontinued operations	–	–	–	6.4	260.1	(31.9)	(23.3)	
Profit for the period/year	468.7	1,600.9	1,943.6	2,661.2	4,793.8	2,733.7	2,443.8	
Attributable to:								
Equity holders of the Company								
– From continuing operations	468.8	1,600.9	1,943.6	2,654.6	4,476.6	2,242.6	1,943.4	
– From discontinued operations	–	–	–	6.4	260.1	(31.9)	(23.3)	
Non-controlling interests								
– From continuing operations	(0.1)	–	–	0.2	57.1	523.0	523.7	
Profit for the period/year	468.7	1,600.9	1,943.6	2,661.2	4,793.8	2,733.7	2,443.8	
	At 30 June	At 31 December						
	2015	2014	2013	2012	2011	2010		
	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	
				(b)	(b)	(b)		
ASSETS AND LIABILITIES								
Total assets	27,778.7	27,527.8	26,705.1	23,578.1	20,212.5	17,631.2		
Total liabilities	(4,845.4)	(4,847.6)	(5,809.9)	(5,216.3)	(4,849.8)	(4,377.6)		
Non-controlling interests	(1.1)	(1.2)	(1.5)	(2.0)	(2,435.0)	(2,343.3)		
Equity attributable to the equity holders of the Company	22,932.2	22,679.0	20,893.7	18,359.8	12,927.7	10,910.3		

Notes:

- (a) In 2013, the Group's garment manufacturing operations were ceased. In 2012, the Group's branded products distribution operations were disposed. Therefore, these segments are presented as discontinued operations according to HKFRS 5 "Non-current assets held for sale and discontinued operations". Prior years' results are re-presented.
- (b) The Group adopted HKFRS 11 "Joint arrangements" with effect from 1 January 2013, and applied retrospectively.

BOARD OF DIRECTORS**Executive Directors**

CHENG Wai Chee, Christopher *GBS OBE JP*
(Chairman)

CHENG Wai Sun, Edward *SBS JP*
(Deputy Chairman and Chief Executive)

CHENG Man Piu, Francis

CHOW Wai Wai, John

NG Kar Wai, Kenneth

Non-Executive Directors

KWOK Ping Luen, Raymond *JP*
(KWOK Ho Lai, Edward as his alternate)

HONG Pak Cheung, William

NG Tak Wai, Frederick

CHEN Chou Mei Mei, Vivien

Independent Non-Executive Directors

Simon MURRAY *CBE*

FANG Hung, Kenneth *GBS CBE JP*

YEUNG Kit Shing, Jackson

Haider Hatam Tyebjee *BARMA GBS CBE ISO JP*

CHENG Hoi Chuen, Vincent *GBS OBE JP*

AUDIT COMMITTEE MEMBERS

YEUNG Kit Shing, Jackson (Chairman)

FANG Hung, Kenneth *GBS CBE JP*

HONG Pak Cheung, William

REMUNERATION COMMITTEE MEMBERS

Simon MURRAY *CBE* (Chairman)

CHENG Wai Chee, Christopher *GBS OBE JP*

CHENG Wai Sun, Edward *SBS JP*

FANG Hung, Kenneth *GBS CBE JP*

YEUNG Kit Shing, Jackson

NOMINATION COMMITTEE MEMBERS

CHENG Hoi Chuen, Vincent *GBS OBE JP* (Chairman)

CHENG Wai Chee, Christopher *GBS OBE JP*

CHENG Wai Sun, Edward *SBS JP*

YEUNG Kit Shing, Jackson

Haider Hatam Tyebjee *BARMA GBS CBE ISO JP*

**COMPANY SECRETARY AND
CHIEF FINANCIAL OFFICER**

FUNG Ching Man, Janet

AUDITOR

PricewaterhouseCoopers

LEGAL ADVISERS TO THE COMPANY

Slaughter and May (as to Hong Kong Laws)

Appleby (as to Bermuda Laws)

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking
Corporation Limited

Bank of China (Hong Kong) Limited

Standard Chartered Bank (Hong Kong) Limited

**PRINCIPAL SHARE REGISTRAR AND
TRANSFER AGENT**

Appleby Management (Bermuda) Ltd.

Canon's Court, 22 Victoria Street

Hamilton HM 12, Bermuda

**HONG KONG BRANCH SHARE
REGISTRAR AND TRANSFER OFFICE**

Tricor Standard Limited

Level 22, Hopewell Centre

183 Queen's Road East

Hong Kong

REGISTERED OFFICE

Canon's Court, 22 Victoria Street

Hamilton HM 12, Bermuda

**HEAD OFFICE AND PRINCIPAL PLACE
OF BUSINESS**

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Kwun Tong, Kowloon

Hong Kong

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<http://www.wingtaiproperties.com>

**HONG KONG STOCK EXCHANGE
STOCK CODE**

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WING TAI PROPERTIES LIMITED

Incorporated in Bermuda with limited liability

永泰地產有限公司

於百慕達註冊成立之有限公司



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