



GOLDIN PROPERTIES  
高銀地產

Stock Code : 00283

# GOLDIN PROPERTIES

HOLDINGS LIMITED  
高銀地產控股有限公司

2015  
Interim Report





众 高 地 产 置 中 國 視 界

天津高银117大厦平顶仪式

2015年9月8日 · 中国天津



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# CORPORATE INFORMATION

## Board of Directors

### Executive Directors

Mr. Pan Sutong (*Chairman and Chief Executive Officer*)

Mr. Zhou Xiaojun

Mr. Ting Kwang Yuan, Edmond

Mr. Li Huamao

Mr. Wong Hau Yan, Helvin  
(*retired on 28 August 2015*)

Ms. Chan Sau Yin, Anita Teresa

### Independent Non-executive Directors

Mr. Lai Chi Kin

Dr. Ng Lai Man, Carmen

Dr. Cheng Kwan Wai

## Board Committees

### Audit Committee

Mr. Lai Chi Kin (*Chairman*)

Dr. Ng Lai Man, Carmen

Dr. Cheng Kwan Wai

### Remuneration Committee

Dr. Ng Lai Man, Carmen (*Chairman*)

Mr. Pan Sutong

Mr. Lai Chi Kin

### Nomination Committee

Mr. Pan Sutong (*Chairman*)

Mr. Lai Chi Kin

Dr. Ng Lai Man, Carmen

## Executive Committee

Mr. Pan Sutong (*Chairman*)

Mr. Wong Hau Yan, Helvin

(*ceased to be a member on 28 August 2015*)

Mr. Zhou Xiaojun

(*appointed on 28 August 2015*)

## Company Secretary

Ms. Chan Suk Yin

## Registered Office

22nd Floor, Two International  
Finance Centre  
8 Finance Street, Central  
Hong Kong

## Auditor

Deloitte Touche Tohmatsu

## Registrar and Transfer Office

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

## Stock Code

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## Website

<http://www.goldinpt.com>

Note:

*In case of any inconsistency between the English text and the Chinese translation of this Interim Report, the English text shall prevail.*

# CHAIRMAN'S STATEMENT

Dear shareholders,

On behalf of the board of directors (the "**Board**") of Goldin Properties Holdings Limited (the "**Company**" or "**Goldin Properties**"), I am delighted to present the interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 September 2015 (the "**Period**").

## Achievement

Goldin Properties was included in Hang Seng Mainland Properties Index and FTSE Hong Kong Index on 14 September 2015 and 21 September 2015 respectively in recognition of its significant growth and achievements. The inclusion in these leading market indices will definitely enhance the Company's reputation in the global capital market and will help shore up investors' interests in Goldin Properties.

## Market Overview

According to China's National Bureau of Statistics ("**NBS**"), the country's gross domestic product ("**GDP**") growth remained flat at 7.0% and 6.9% in the second quarter and third quarter of 2015 respectively, mainly due to the volatile and challenging economy in China and the slowing down of the global economic recovery. Nevertheless, the country's property market has shown signs of bottoming out and a gradual recovery. That was attributed greatly to an array of supportive government policies rolled out since the fourth quarter of 2014, including cancellation of the home purchase restrictions in some cities, loosening of mortgage restrictions, a move by the People's Bank of China ("**PBOC**") to lower its reserve requirement and to cut its benchmark interest rates further. The beneficial effect of the government's stimulus policies on Tianjin's housing market was evidenced by uninterrupted month-on-month growth in prices of new flats since March 2015, according to NBS's data.

According to the positioning and government strategy under the coordinated development of the Beijing-Tianjin-Hebei area, Tianjin aims at establishing efficient and comprehensive transportation networks, as part of its preparations to evolve into a modern and major city in Northern China.

## Business Review

### Goldin Metropolitan

Our signature mega-scale integrated property development flagship project, Goldin Metropolitan ("**Goldin Metropolitan**" or the "**Project**"), which is strategically located in Tianjin Binhai Hi-tech Industrial Development Area ("**Tianjin Hitech Area**") as known as the first national high-tech industrial development zone approved by the State Council and an integral part of Binhai New Area in Tianjin. The Project consists of luxury residential properties, a Central Business District ("**CBD**") and prestigious leisure facilities and will continue to be the highlight of the city's property market.



# CHAIRMAN'S STATEMENT

Featuring a mesmerising architectural design and adopting a unique approach to the art of living, Goldin Metropolitan is a meticulously designed urban complex to accommodate three essential elements of living-family, work and leisure-meeting the growing demand for stylish lifestyles of the elite in China. Crafted to convey an ambience of elegant lifestyles and help residents achieve a perfect work-life balance, Goldin Metropolitan meets all these three essential needs with a new concept of luxurious living underpinned by its purpose-built amenities, namely the CBD which features accommodating modern design elements that will be well-positioned to serve as a one-stop commercial and financial hub; a stylish, prestigious and low-density residential zone Fortune Heights, and Tianjin Goldin Metropolitan Polo Club where extravaganza of the time-honoured and elegant sport is hosted with the support of world-class leisure facilities.

Construction of this architectural masterpiece of an unprecedented scale by Goldin Properties is commissioned to internationally acclaimed architectural consultancies and construction companies under the meticulous supervision by the Group's professional team to guarantee quality, aesthetical appeals and functionalities of its designs. An estimated investment of US\$9-10 billion has been budgeted for the Project, which will be completed by 2017 in phases. Goldin Metropolitan will have gross floor areas ("GFA") of approximately 1,890,000 square metres. Just a 20 minutes' drive or a 15 minutes' trip by metro (Line 3) from Tianjin's downtown, the Project targets the upper-class, high-end property market and is designed to meet the needs of high-end domestic and foreign property buyers.

Goldin Properties aspires to become a world-class metropolitan property developer with its niche in high-end integrated property projects, offering wide-ranging residential and business facilities for its residents and tenants in major metropolises. With the successful topping-off of the iconic skyscraper Goldin Finance 117 in September 2015, the Group is confident about achieving a greater success when the Project is completed, a milestone that enables the Group to capitalise on the Beijing-Tianjin-Hebei Coordinated Development Program and the long-term development prospects of Tianjin.

## Central Business District

The CBD is poised to take advantage of the coordinated development of Beijing and Tianjin, and will evolve into a new commercial hub of Tianjin. Showcasing Goldin Metropolitan's state-of-the-art architecture, the CBD consists of the 597-metre-high grade-A office building Goldin Finance 117, high-rise twin towers, a mega-scale high-end shopping mall, cultural and recreational facilities, an international convention and exhibition centre, a distinctive boutique hotel and deluxe serviced apartments. We are pleased to have made remarkable progresses in the CBD construction during the Period. The construction of Goldin Finance 117 topped off on 8 September 2015 and is expected to open for business in 2017. The superstructure works in the second phase of the CBD, which include the twin towers, a concert hall, a boutique hotel and an international convention and exhibition centre, and the substructure works in the third phase, are progressing smoothly.

# CHAIRMAN'S STATEMENT

Upon the successful topping-off of Goldin Finance 117, this bold, modernist structure, with its powerful geometric forms, occupies a commanding position on Tianjin's skyline. It is now the tallest building in China and the second tallest building in the world in terms of structural height, the newest addition to the Tianjin's architectural landscape. Its indoor swimming pool, observation deck and revolving restaurant are located on the highest altitudes among its peers in the world. Notably, there will be a five-star hotel at the top level of the Goldin Finance 117 with a combined GFA of approximately 86,357 square metres from level 94 to the top floor. The Group is currently negotiating with reputable international hotel groups on possible cooperation in hotel management.

## **Fortune Heights**

Goldin Properties built its high-end residential property project, Fortune Heights, in a low-density layout, featuring both aesthetic and functional designs of an environment for residents' spiritual pursuits. This prestigious property project consists of about 700 residential units in form of villas, townhouses and high-rise apartment buildings with a combined GFA of approximately 208,800 square metres in Phase One. Phase Two of Fortune Heights is scheduled to be completed by the end of 2017 and will have GFA of about 501,000 square metres. Notably, Fortune Heights' garden villas, apartments, sky villas and town houses are built around Tianjin Goldin Metropolitan Polo Club, thus offering a panoramic view of the polo fields. The neo-classical and modern architectural styles convey an aristocratic lifestyles, reaffirming Fortune Heights' position as the most sought-after residence in Tianjin.

The home owners or tenants are invited to enjoy a wide range of leisure community facilities and services. They will have the educational needs of their next generation well taken care of at the Maple Leaf International School – Tianjin Huayuan. Fortune Heights, the luxury residential zone of the Project, highlights the Group's motto that "Elite Community Counts".

## **Tianjin Goldin Metropolitan Polo Club**

Embodying the elegance and nobility of the aristocrats in the golden old days, polo illustrates precisely the positioning of Goldin Metropolitan as timeless, unique, perpetual elegant property project. The Group has brought in a classical touch to contemporary urban lifestyle by hosting international tournaments of the time-honoured sport regularly at Tianjin Goldin Metropolitan Polo Club since its opening in November 2010. The 890,000-square metre world-class polo club sets in amidst a private estate of rolling lawns, manicured gardens and sparkling fountains and within easy reach of the capital city. As the largest and most prestigious polo club in China, Tianjin Goldin Metropolitan Polo Club has the most comprehensive world class standard polo facilities and polo fields, comprising two international standard polo fields, a practice field, indoor and outdoor polo arenas, a clubhouse, a 167-room luxury hotel, specialty restaurants, state-of-the-art stables and other complementary facilities.

Tianjin Goldin Metropolitan Polo Club, with its high reputation, has established a strong global network by fostering ties with 17 reciprocal clubs over the world, including those in the United Kingdom, France, Italy, the United States, Argentina, New Zealand, Singapore, Indonesia and India, etc.

# CHAIRMAN'S STATEMENT

The Group, together with the Tianjin Polo Association and the Hong Kong Polo Development and Promotion Federation Limited, held its prestigious annual tournament *Metropolitan Intersarsity Polo 2015 – The London Challenge* in the fourth week of July 2015. Same as what we had been doing in previous years since 2013, we have made Tianjin Goldin Metropolitan Polo Club the venue for the tournament. Six elite polo teams from top universities in England and the United States, namely those from the University of Cambridge, the University of London, the University of Oxford, Harvard University, Stanford University and Yale University, gathered at Tianjin Goldin Metropolitan Polo Club, to vie for glory in the polo tournament.

## Prospects

The State Council and six government departments jointly announced in late August 2015 the nationwide plan for lowering the threshold for foreign capital to invest in the country's property market. Foreigners and overseas institutions in China are allowed to purchase properties for their own residential purposes under the newly adapted policy. This move aims to boost the smooth and healthy development of China's housing market in the long run.

Further to those nationwide property market stimulus policies previously announced, on 30 September 2015, the PBOC and China Banking Regulatory Commission (“**CBRC**”) jointly announced that the down payment requirement for first-time home buyers is lowered to 25 percent of the property value, from the previous 30 percent, in cities that do not have purchase restrictions, a move that steps the country's support for the sluggish property market and stumbling economy. The relaxation of down payment should favour the property market in Tianjin, which is among one of the cities that do not have purchase restrictions, and Goldin Metropolitan, as a grand project in the city, will stand to reap benefits from this policy, boosting the city's housing consumption. With our competitive advantages, Goldin Properties is well-positioned to grasp future opportunities from these government policies on the property market and regional economic development.

Goldin Metropolitan, which will become the most impressive iconic landmark in the Bohai Economic Rim with its comprehensive, high-end residential and business facilities, will allow the Group to fully capitalise on the economic integration of Beijing and Tianjin. With the successful topping-off of Goldin Finance 117, Goldin Metropolitan will also become a financial and commercial hub of the metropolis, lending the essential support to Tianjin's rapid economic growth. The high quality delivery of Goldin Metropolitan has already earned the Company a good reputation among both local and international investors, boding well for the upcoming residential and commercial property projects there. Construction of the other parts of the Project is progressing, and we look forward to a greater success when the entire flagship project is completed.

Goldin Properties aspires to become a world-class metropolitan integrated property developer, and will endeavour its best efforts in completing this visionary project at the highest standards. It will grasp opportunities arising from the economic integration of Beijing and Tianjin by contributing to the Bohai Economic Rim's further economic development.



# CHAIRMAN'S STATEMENT

## **Acknowledgement**

I would like to take this opportunity to express my gratitude to the Group's shareholders, investors and business partners for their trust and support. Goldin Properties has earned wide recognition in the property sector and the capital market for its overall exceptional performance. I would like to thank my fellow Board members, the senior management team and all staff for their unstinting efforts, teamwork and contributions. Looking ahead, we will work even harder to sustain the Group's growth and maximise shareholders' returns.

**Pan Sutong**

*Chairman*

Hong Kong, 27 November 2015

# MANAGEMENT DISCUSSION AND ANALYSIS

## Results

For the Period, net profit of the Group dropped by 29% year on year to approximately HK\$372 million (30 September 2014: approximately HK\$524 million). The Group recorded a revenue of approximately HK\$57 million (30 September 2014: approximately HK\$489 million), representing a decrease of approximately 88%. The decrease was mainly attributable to the decline in recognized revenue from the sales of residential properties in Phase One of Fortune Heights to approximately HK\$27 million (30 September 2014: approximately HK\$479 million) during the Period. Sales continued to be conducted at relatively moderate pace, in tandem with that at which the whole Goldin Metropolitan project is completed and matured in the near future. The property sales accounted for 47% of the total revenue for the Period (30 September 2014: 98%).

Nevertheless, the latest trends and growth data from National Bureau Statistics indicated an improvement in the country's property market as the government's stimulus policies have begun to take effect. Property sales have been recovering and the momentum is expected to continue in 2016. Meanwhile, the coordinated development of the Beijing-Tianjin-Hebei program is also likely to stimulate the economic development in Tianjin and more office leasing and housing sales.

The newly defined positioning and stimulus government policies should be conducive to the persistent well-being of the property market in Tianjin in future. The Board is confident about achieve greater success following the scheduled completion of the entire high-end integrated flagship project Goldin Metropolitan, which is instrumental in grasping opportunities arising from the trend of economic integration of Beijing and Tianjin.

## Liquidity and Financial Resources

### Working capital and debts

The Group's working capital as at 30 September 2015 was approximately HK\$1,480,303,000, representing a decrease of 33% when compared with the approximately HK\$2,212,376,000 as of 31 March 2015. The current ratio of the Group changed from 1.29 times as of 31 March 2015 to 1.18 times as of 30 September 2015.

The Group maintained its gearing ratio (total debts to total assets) at a healthy level of 23.4% (31 March 2015: 22.9%). On the other hand, as at 30 September 2015, the ratio of total liabilities (including total trade and construction cost payables, bank borrowing, obligations under finance leases and loan from a related company) to total equity was 91.3% (31 March 2015: 83.3%).

# MANAGEMENT DISCUSSION AND ANALYSIS

## Foreign Exchange Risk

The Group's transactions and assets are primarily denominated in Renminbi. The Group does not expect any material adverse effects of the exchange rate fluctuation. Nevertheless, the Group continues to monitor closely its exposure to the exchange rate risk, and is prepared to manage this risk, if necessary. The Group continued to exercise strict control and did not engage in any speculative trading in debt securities or financial derivatives during the Period.

## Commitments

As at 30 September 2015, the Group had commitments of approximately HK\$14,446,808,000 (31 March 2015: HK\$16,714,083,000).

For the commitments, the committed capital expenditures for the future are to be incurred mainly in properties for sale and investment properties under construction up to 2018 are HK\$5,131,914,000 and HK\$9,300,369,000, respectively (31 March 2015: HK\$5,243,773,000 and HK\$11,456,211,000 respectively).

## Dividend

The Board does not recommend the payment of an interim dividend for the Period (30 September 2014: Nil).

## Employment and Remuneration

As at 30 September 2015, the Group had 943 employees (30 September 2014: 1,030 employees). Staff costs for the Period (including directors' emoluments) amounted to approximately HK\$150,637,000 (30 September 2014: approximately HK\$168,600,000). The Group offers competitive remuneration to its employees. Subject to the performance of the employees, the Group may provide discretionary bonuses and/or grant share options to the employees as an incentive for their continued contribution. In addition to taking reference from the industry average in setting the remuneration, other benchmarks which are being considered include the prevailing market conditions within the general framework of the Group's remuneration system.



# CORPORATE GOVERNANCE

The Board of the Company is committed to the establishment and maintenance of good corporate governance practices and procedures to safeguard the interests of all shareholders of the Company (the “**Shareholders**”) and to enhance accountability and transparency.

## Code on Corporate Governance Practices

Throughout the Period, the Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), except for the following deviations:

### (a) Code Provision A.2.1 of the CG Code

Under this code provision, the roles of chairman and chief executive should be separate and should not be performed by the same individual for a balance of power and authority.

Currently, Mr. Pan Sutong is serving both as the Company’s chairman and chief executive officer. However, the Board considers that this situation will not impair the balance of power and authority between the Board and the management of the Company. This is because the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals with demonstrated integrity. Further, decisions of the Board are made by way of majority voting. The Board believes that this structure is conducive to strong, prompt response and efficient management and implementation.

### (b) Code Provision A.4.1 of the CG Code

Under this code provision, non-executive directors should be appointed for a specific term, subject to re-election.

Currently, the independent non-executive directors of the Company (“**INEDs**”) are not appointed for a specific term but are subject to retirement by rotation and re-election at least once every three years at the Company’s annual general meeting in accordance with the articles of association of the Company under their appointment letters. The Board believes that such practice will offer stability at the Board level while at the same time, independence is safeguarded by the necessary rotation, retirement and re-election procedures which involves shareholders’ approval.

# CORPORATE GOVERNANCE

## Model Code for Securities Transactions by Directors and Relevant Employees

The Company has adopted the terms of the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors’ securities transactions.

The Company has made specific enquiry of each of its directors (the “**Directors**”) regarding any non-compliance with the Model Code during the Period, and all Directors confirmed that they have fully complied with the required standards set out in the Model Code throughout the Period.

Relevant employees of the Company, who are likely to be in possession of unpublished inside information in relation to the Company or its securities, have been requested to comply with provisions similar to those terms in the Model Code.

## Audit Committee

The audit committee of the Company (the “**Audit Committee**”) comprises three INEDs, namely Mr. Lai Chi Kin (Chairman of the Audit Committee), Dr. Ng Lai Man, Carmen and Dr. Cheng Kwan Wai.

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the unaudited condensed consolidated financial statements of the Group for the Period.

## Changes of Directors’ Information

Pursuant to rule 13.51B(1) of the Listing Rules, the changes of Directors’ information since the date of the Company’s 2015 Annual Report are set out below:

- (i) Mr. Wong Hau Yan, Helvin (“**Mr. Wong**”) retired at the annual general meeting of the Company held on 28 August 2015 (“**AGM**”) in accordance with the articles of association of the Company and did not offer himself for re-election. Mr. Wong has ceased to be an executive Director and a member of executive committee (the “**Executive Committee**”) of the Company but remains as a consultant of the Company upon his retirement at the AGM.
- (ii) Mr. Zhou Xiaojun, being the executive Director, has been appointed as a member of the Executive Committee in place of Mr. Wong with effect from the retirement of Mr. Wong at the AGM.

# DISCLOSURE OF INTERESTS

## Directors' and Chief Executive's Interests in Shares and Underlying Shares

As at 30 September 2015, the interests of the Directors and chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

### (a) Interests in Ordinary Shares

Name of Director	Long position/ short position	Capacity	Number of shares held	Approximate percentage of shareholding (Note 1)
Mr. Pan Sutong	Long position	Interests held as beneficial owner and through controlled corporations	2,300,030,998 (Note 2)	64.45%
Mr. Zhou Xiaojun	Long position	Beneficial owner	280,000	0.01%
Mr. Ting Kwang Yuan, Edmond	Long position	Beneficial owner	900,000	0.03%



# DISCLOSURE OF INTERESTS

## Directors' and Chief Executive's Interests in Shares and Underlying Shares (continued)

### (b) Interests in Underlying Shares

As at 30 September 2015, there were share options of the Company ("**Share Options**") held by the Directors. Details of such share options, duly granted to the Directors pursuant to the share option schemes of the Company, which constitute interests in underlying ordinary shares of equity derivatives of the Company under the SFO are set out in the section headed "Other Information – Share Options" of this Interim Report.

*Notes:*

1. As at 30 September 2015, the total number of ordinary shares of the Company ("**Shares**") in issue was 3,568,570,333 shares.
2. As at 30 September 2015, 170,303,571 Shares were held by Mr. Pan Sutong ("**Mr. Pan**") in his personal capacity, 2,011,741,427 Shares were held by Goldin Group (Investment) Limited ("**Goldin Group (Investment)**"), the immediate holding company of the Company and 117,986,000 Shares were held by Clear Jade International Limited ("**Clear Jade**"). Clear Jade was 100% owned by Mr. Pan and Goldin Group (Investment) was 100% owned by Goldin Real Estate Financial Holdings Limited ("**Goldin Real Estate Financial**"), the ultimate holding company of the Company, and Goldin Real Estate Financial was 100% owned by Mr. Pan. Accordingly, Mr. Pan was deemed to be interested in 2,011,741,427 Shares held by Goldin Group (Investment) and 117,986,000 Shares held by Clear Jade. Goldin Group (Investment), being a holding company of the Company, is also an associated corporation of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, none of the Directors had, as at 30 September 2015, any other interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

# DISCLOSURE OF INTERESTS

## Substantial Shareholder's Interests Under SFO

As at 30 September 2015, the substantial shareholder (other than Directors or chief executive of the Company) who had interests or short positions in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO was as follows:

Name of Shareholder	Long position/ short position	Capacity	Number of shares held	Approximate percentage of shareholding <i>(Note 1)</i>
Goldin Group (Investment) <i>(Note 2)</i>	Long position	Beneficial owner	2,011,741,427	56.37%

Notes:

1. As at 30 September 2015, the total number of Shares in issue was 3,568,570,333 shares.
2. As at 30 September 2015, Goldin Group (Investment) was 100% owned by Goldin Real Estate Financial which was 100% owned by Mr. Pan.

Save as disclosed above, as at 30 September 2015, the Company has not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

# OTHER INFORMATION

## Share Options

The share option scheme of the Company adopted on 27 August 2002 (the “**2002 Share Option Scheme**”) was terminated by the shareholders of the Company (the “**Shareholders**”) at the Company’s annual general meeting held on 23 August 2012 (the “**2012 AGM**”) before its expiration on 26 August 2012. At the 2012 AGM, the Shareholders have approved the adoption of a new share option scheme of the Company (the “**2012 Share Option Scheme**”) in substantially similar terms and conditions as those of the 2002 Share Option Scheme.

A summary of those terms applicable to the outstanding Share Options under the 2002 Share Option Scheme has been disclosed in the Company’s 2012 Annual Report, while a summary of the principal terms of the 2012 Share Option Scheme is set out below:

The 2012 Share Option Scheme is designed to (a) provide incentives or rewards to the grantees for their contribution to the Group and motivate them to strive for future development and expansion of the Group; (b) strengthen the relationship between the Group and its employees and executives; and (c) enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any invested entity.

The maximum number of Shares which may be issued upon exercise of all Share Options to be granted under the 2012 Share Option Scheme and any other share option scheme(s) of the Company shall not in aggregate exceed 10% of the Shares in issue as at the date of the adoption of the 2012 Share Option Scheme provided that the Company may seek approval from the Shareholders to refresh such limit. Moreover, the maximum number of Shares which may be issued upon exercise of all outstanding Share Options granted and yet to be exercised under the 2012 Share Option Scheme and any other share option scheme(s) of the Company shall not exceed 30% of the Shares in issue from time to time. The maximum entitlement of each participant under the 2012 Share Option Scheme in any 12-month period is 1% of the Shares in issue from time to time. Any further grant of Share Options in excess of this 1% limit must be separately approved by the Shareholders in general meeting with the grantees and his/her associates abstaining from voting.

The period during which a Share Option may be exercised will be determined by the Board at its absolute discretion, save that no Share Option may be exercised more than 10 years from the date on which the Share Option is granted. The minimum period for which a Share Option must be held before it can be exercised is determined by the Board upon the grant of a Share Option. Each grantee is required to pay HK\$1 as a consideration for the grant of Share Options.

The subscription price of the Share Options under the 2012 Share Option Scheme shall not be less than whichever is the highest of (a) the closing price of the Shares on the Stock Exchange on the date of grant of Share Options; and (b) the average of the closing prices of the Shares on the Stock Exchange for the five trading days immediately preceding the date of grant of Share Options.



# OTHER INFORMATION

## Share Options (continued)

The 2012 Share Option Scheme will expire on 22 August 2022.

The following tables disclose details of the Company's share options movements during the Period:

### (a) 2002 Share Option Scheme

#### (i) Directors

Name of Director	Date of grant	Exercise price per share HK\$ (Note 1)	Exercisable period	Number of share options					
				Outstanding at 1.4.2015	Reclassified from "Directors" to "Other Participants" during the Period (Note 2)	Granted during the Period	Exercised during the Period	Lapsed during the Period	Outstanding at 30.9.2015
Mr. Zhou Xiaojun	3.8.2009	3.27	3.8.2010 to 2.8.2019	302,727	-	-	-	-	302,727
	3.8.2009	3.27	3.8.2011 to 2.8.2019	302,727	-	-	-	-	302,727
	3.8.2009	3.27	3.8.2012 to 2.8.2019	403,636	-	-	-	-	403,636
	27.3.2012	2.69	27.9.2012 to 26.3.2022	333,333	-	-	-	-	333,333
	27.3.2012	2.69	27.12.2013 to 26.3.2022	333,333	-	-	-	-	333,333
	27.3.2012	2.69	27.3.2015 to 26.3.2022	333,334	-	-	-	-	333,334
				2,009,090	-	-	-	-	2,009,090
Mr. Ting Kwang Yuan, Edmond	3.8.2009	3.27	3.8.2011 to 2.8.2019	605,454	-	-	-	-	605,454
	3.8.2009	3.27	3.8.2012 to 2.8.2019	807,272	-	-	-	-	807,272
	27.3.2012	2.69	27.9.2012 to 26.3.2022	333,333	-	-	-	-	333,333
	27.3.2012	2.69	27.12.2013 to 26.3.2022	333,333	-	-	-	-	333,333
	27.3.2012	2.69	27.3.2015 to 26.3.2022	333,334	-	-	-	-	333,334
				2,412,726	-	-	-	-	2,412,726
Mr. Li Huamao	3.8.2009	3.27	3.8.2010 to 2.8.2019	302,727	-	-	-	-	302,727
	3.8.2009	3.27	3.8.2011 to 2.8.2019	302,727	-	-	-	-	302,727
	3.8.2009	3.27	3.8.2012 to 2.8.2019	403,636	-	-	-	-	403,636
	27.3.2012	2.69	27.9.2012 to 26.3.2022	333,333	-	-	-	-	333,333
	27.3.2012	2.69	27.12.2013 to 26.3.2022	333,333	-	-	-	-	333,333
	27.3.2012	2.69	27.3.2015 to 26.3.2022	333,334	-	-	-	-	333,334
				2,009,090	-	-	-	-	2,009,090
Mr. Wong Hau Yan, Helvin	3.8.2009	3.27	3.8.2012 to 2.8.2019	397,095	(397,095)	-	-	-	-
	27.3.2012	2.69	27.12.2013 to 26.3.2022	333,333	(333,333)	-	-	-	-
	27.3.2012	2.69	27.3.2015 to 26.3.2022	333,334	(333,334)	-	-	-	-
				1,063,762	(1,063,762)	-	-	-	-
				7,494,668	(1,063,762)	-	-	-	6,430,906

# OTHER INFORMATION

## Share Options (continued)

### (a) 2002 Share Option Scheme (continued)

#### (ii) Employees (other than Directors)

Date of grant	Exercise price per share HK\$ (Note 1)	Exercisable period	Number of share options					
			Outstanding at 1.4.2015	Reclassified from "Employees" to "Other Participants" during the Period (Note 3)	Granted during the Period	Exercised during the Period	Lapsed during the Period	Outstanding at 30.9.2015
28.9.2005	1.31	28.9.2005 to 27.9.2015	1,968	-	-	-	(1,968)	-
27.11.2007	6.50	27.11.2007 to 26.11.2017	8,072,727	-	-	-	-	8,072,727
3.8.2009	3.27	3.8.2010 to 2.8.2019	943,305	-	-	(152,372)	-	790,933
3.8.2009	3.27	3.8.2011 to 2.8.2019	1,710,405	-	-	(196,772)	-	1,513,633
3.8.2009	3.27	3.8.2012 to 2.8.2019	2,280,572	-	-	(262,364)	-	2,018,208
21.4.2010 (Note 4)	3.14	21.4.2011 to 20.4.2020	1,155,465	-	-	(60,545)	-	1,094,920
21.4.2010 (Note 4)	3.14	21.4.2012 to 20.4.2020	1,235,113	-	-	(60,545)	-	1,174,568
21.4.2010 (Note 4)	3.14	21.4.2013 to 20.4.2020	1,687,220	-	-	(40,200)	-	1,647,020
10.8.2010 (Note 4)	3.72	10.8.2011 to 9.8.2020	305,753	-	-	(45,409)	-	260,344
10.8.2010 (Note 4)	3.72	10.8.2012 to 9.8.2020	305,753	-	-	(4,591)	-	301,162
10.8.2010 (Note 4)	3.72	10.8.2013 to 9.8.2020	407,672	-	-	-	-	407,672
27.3.2012	2.69	27.9.2012 to 26.3.2022	6,699,982	(16,666)	-	-	(49,999)	6,633,317
27.3.2012	2.69	27.12.2013 to 26.3.2022	6,699,982	(16,666)	-	-	(49,999)	6,633,317
27.3.2012	2.69	27.3.2015 to 26.3.2022	6,700,036	(16,668)	-	-	(50,002)	6,633,366
			38,205,953	(50,000)	-	(822,798)	(151,968)	37,181,187

# OTHER INFORMATION

## Share Options (continued)

### (a) 2002 Share Option Scheme (continued)

#### (iii) Other Participants

Date of grant	Exercise price per share HK\$ (Note 1)	Exercisable period	Outstanding at 1.4.2015	Number of share options		Granted during the Period	Exercised during the Period	Lapsed during the Period	Outstanding at 30.9.2015
				Reclassified from "Directors" to "Other Participants" during the Period (Note 2)	Reclassified from "Employees" to "Other Participants" during the Period (Note 3)				
3.8.2009	3.27	3.8.2010 to 2.8.2019	2,123,305	-	-	-	-	-	2,123,305
3.8.2009	3.27	3.8.2011 to 2.8.2019	2,346,132	-	-	-	-	-	2,346,132
3.8.2009	3.27	3.8.2012 to 2.8.2019	3,128,182	397,095	-	-	-	-	3,525,277
21.4.2010	3.14	21.4.2011 to 20.4.2020	3,394,091	-	-	-	-	-	3,394,091
21.4.2010	3.14	21.4.2012 to 20.4.2020	3,560,042	-	-	-	-	-	3,560,042
21.4.2010	3.14	21.4.2013 to 20.4.2020	4,746,802	-	-	-	-	-	4,746,802
10.8.2010	3.72	10.8.2011 to 9.8.2020	605,454	-	-	-	-	-	605,454
10.8.2010	3.72	10.8.2012 to 9.8.2020	605,454	-	-	-	-	-	605,454
10.8.2010	3.72	10.8.2013 to 9.8.2020	807,273	-	-	-	-	-	807,273
27.3.2012	2.69	27.9.2012 to 26.3.2022	10,716,656	-	16,666	-	-	-	10,733,322
27.3.2012	2.69	27.12.2013 to 26.3.2022	10,716,656	333,333	16,666	-	-	-	11,066,655
27.3.2012	2.69	27.3.2015 to 26.3.2022	10,716,688	333,334	16,668	-	-	-	11,066,690
			53,466,735	1,063,762	50,000	-	-	-	54,580,497



# OTHER INFORMATION

## Share Options (continued)

### (a) 2002 Share Option Scheme (continued)

*Notes:*

1. The exercise prices and the number of share options granted on 28 September 2005, 27 November 2007, 3 August 2009, 21 April 2010 and 10 August 2010 under the 2002 Share Option Scheme had been adjusted upon the rights issue, as announced by the Company on 16 February 2012, becoming unconditional on 20 March 2012. Details of which were disclosed in the Company's announcement dated 23 March 2012.
2. Mr. Wong retired at the AGM but remains as a consultant of the Company upon his retirement at the AGM. Therefore, share options held by Mr. Wong were reclassified from the category of "Directors" to "Other Participants" on the AGM date.
3. Share options held by an employee of the Company were reclassified from the category of "Employees" to "Other Participants" on 1 July 2015.
4. Share options granted on 21 April 2010 and 10 August 2010 were conditionally granted to the employees (other than Directors) of the Company, subject to the achievement of the performance targets as determined by the Board.

# OTHER INFORMATION

## Share Options (continued)

### (b) 2012 Share Option Scheme

#### (i) Directors

Name of Director	Date of grant  (Note 1)	Exercise price per share HK\$	Exercisable period	Number of share options					
				Outstanding at 1.4.2015	Reclassified from "Directors" to "Other Participants" during the Period  (Note 2)	Granted during the Period	Exercised during the Period	Lapsed during the Period	Outstanding at 30.9.2015
Mr. Zhou Xiaojun	28.3.2014	3.35	28.3.2015 to 27.3.2024	600,000	-	-	-	-	600,000
	28.3.2014	3.35	28.3.2016 to 27.3.2024	600,000	-	-	-	-	600,000
	28.3.2014	3.35	28.3.2017 to 27.3.2024	800,000	-	-	-	-	800,000
				2,000,000	-	-	-	-	2,000,000
Mr. Ting Kwang Yuan, Edmond	28.3.2014	3.35	28.3.2015 to 27.3.2024	600,000	-	-	-	-	600,000
	28.3.2014	3.35	28.3.2016 to 27.3.2024	600,000	-	-	-	-	600,000
	28.3.2014	3.35	28.3.2017 to 27.3.2024	800,000	-	-	-	-	800,000
				2,000,000	-	-	-	-	2,000,000
Mr. Li Huamao	28.3.2014	3.35	28.3.2015 to 27.3.2024	600,000	-	-	-	-	600,000
	28.3.2014	3.35	28.3.2016 to 27.3.2024	600,000	-	-	-	-	600,000
	28.3.2014	3.35	28.3.2017 to 27.3.2024	800,000	-	-	-	-	800,000
				2,000,000	-	-	-	-	2,000,000
Mr. Wong Hau Yan, Helvin	28.3.2014	3.35	28.3.2015 to 27.3.2024	600,000	(600,000)	-	-	-	-
	28.3.2014	3.35	28.3.2016 to 27.3.2024	600,000	(600,000)	-	-	-	-
	28.3.2014	3.35	28.3.2017 to 27.3.2024	800,000	(800,000)	-	-	-	-
				2,000,000	(2,000,000)	-	-	-	-
Ms. Chan Sau Yin, Anita Teresa	28.3.2014	3.35	28.3.2015 to 27.3.2024	300,000	-	-	-	-	300,000
	28.3.2014	3.35	28.3.2016 to 27.3.2024	300,000	-	-	-	-	300,000
	28.3.2014	3.35	28.3.2017 to 27.3.2024	400,000	-	-	-	-	400,000
				1,000,000	-	-	-	-	1,000,000
				9,000,000	(2,000,000)	-	-	-	7,000,000

# OTHER INFORMATION

## Share Options (continued)

### (b) 2012 Share Option Scheme (continued)

#### (ii) Employees (other than Directors)

Date of grant	Exercise price per share HK\$	Exercisable period	Number of share options				Outstanding at 30.9.2015
			Outstanding at 1.4.2015	Granted during the Period	Exercised during the Period	Lapsed during the Period	
<i>(Note 1)</i>							
28.3.2014	3.35	28.3.2015 to 27.3.2024	8,160,000	-	-	(90,000)	8,070,000
28.3.2014	3.35	28.3.2016 to 27.3.2024	8,160,000	-	-	(90,000)	8,070,000
28.3.2014	3.35	28.3.2017 to 27.3.2024	10,880,000	-	-	(120,000)	10,760,000
			27,200,000	-	-	(300,000)	26,900,000

#### (iii) Other Participants

Date of grant	Exercise price per share HK\$	Exercisable period	Number of share options					Outstanding at 30.9.2015
			Outstanding at 1.4.2015	Reclassified from "Directors" to "Other Participants" during the Period	Granted during the Period	Exercised during the Period	Lapsed during the Period	
<i>(Note 1)</i>				<i>(Note 2)</i>				
28.3.2014	3.35	28.3.2015 to 27.3.2024	4,650,000	600,000	-	-	-	5,250,000
28.3.2014	3.35	28.3.2016 to 27.3.2024	4,650,000	600,000	-	-	-	5,250,000
28.3.2014	3.35	28.3.2017 to 27.3.2024	6,200,000	800,000	-	-	-	7,000,000
			15,500,000	2,000,000	-	-	-	17,500,000



# OTHER INFORMATION

## Share Options (continued)

### (b) 2012 Share Option Scheme (continued)

Notes:

1. Share Options granted on 28 March 2014 were conditionally granted to all eligible grantees of the Company (the “**Grantees**”) subject to the satisfactory performance/contribution of the Grantees as determined by the Board.
2. Mr. Wong retired at the AGM but remains as a consultant of the Company upon his retirement at the AGM. Therefore, share options held by Mr. Wong were reclassified from the category of “Directors” to “Other Participants” on the AGM date.

The vesting period of the share options of the Company is from the date of grant until the commencement of the exercisable period.

The weighted average closing price of the Company’s shares immediately before the date on which the share options were exercised, was HK\$7.50 per share.

## Directors’ Right to Acquire Shares or Debentures

Save as disclosed in the sections headed “Directors’ and Chief Executive’s Interests in Shares and Underlying Shares” under “Disclosure of Interests” and “Share Options” above, at no time during the Period was the Company, any of its subsidiaries or its holding companies a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## Purchase, Sale or Redemption of the Company’s Listed Securities

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

On behalf of the Board  
**Pan Sutong**  
*Chairman*

Hong Kong, 27 November 2015

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2015

	Notes	Six months ended 30 September	
		2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
Revenue	3	57,392	488,747
Cost of sales		(23,179)	(148,440)
Gross profit		34,213	340,307
Other income	4	12,461	480
Marketing costs		(15,169)	(14,570)
Hotel and polo club other operating expenses		(110,355)	(126,238)
Administrative expenses		(124,042)	(146,595)
Foreign exchange gains (losses), net		2,717	(3,334)
Finance costs	5	(8,284)	(11,209)
Increase in fair value of investment properties		779,878	729,826
Profit before tax	6	571,419	768,667
Income tax expense	7	(198,980)	(244,350)
Profit for the period attributable to owners of the Company		372,439	524,317
<b>Other comprehensive (expense) income</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange difference arising on translation		(518,404)	198,657
Total comprehensive (expense) income for the period attributable to owners of the Company		(145,965)	722,974
<b>Earnings per share</b>	9		
Basic		10.44 HK cents	14.70 HK cents
Diluted		10.15 HK cents	14.58 HK cents

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2015

	Notes	30.9.2015 HK\$'000 (unaudited)	31.3.2015 HK\$'000 (audited)
<b>Non-current assets</b>			
Property, plant and equipment		2,364,510	2,458,285
Ponies		34,657	42,650
Investment properties	10	22,350,401	21,027,933
Prepaid lease payments		230,325	238,973
Intangible assets		90	90
Deposits paid for acquisition of property, plant and equipment and ponies		17,649	17,441
		<b>24,997,632</b>	23,785,372
<b>Current assets</b>			
Inventories		60,286	67,918
Properties for sale		9,604,736	9,516,883
Prepaid lease payments		6,246	6,394
Trade and other receivables, prepayments and deposits	11	185,424	255,271
Amount due from a related company		1,514	1,716
Cash and cash equivalents		5,228	15,318
		<b>9,863,434</b>	9,863,500
<b>Current liabilities</b>			
Trade and construction cost payables	12	6,953,922	6,183,075
Other payables and accruals	12	841,872	884,894
Amounts due to related companies		76,046	63,288
Tax payable		456,246	463,525
Bank borrowing	13	54,954	56,255
Obligations under finance leases – amount due within one year		91	87
		<b>8,383,131</b>	7,651,124
<b>Net current assets</b>		<b>1,480,303</b>	2,212,376
<b>Total assets less current liabilities</b>		<b>26,477,935</b>	25,997,748



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2015

	Notes	30.9.2015 HK\$'000 (unaudited)	31.3.2015 HK\$'000 (audited)
<b>Non-current liabilities</b>			
Bank borrowing	13	151,124	182,827
Obligations under finance leases – amount due after one year		116	163
Loan from a related company	14	7,963,244	7,473,247
Deferred tax liabilities		1,805,918	1,651,510
		<b>9,920,402</b>	9,307,747
		<b>16,557,533</b>	16,690,001
<b>Capital and reserves</b>			
Share capital	15	10,929,999	10,925,483
Reserves		5,627,534	5,764,518
<b>Total equity</b>		<b>16,557,533</b>	16,690,001

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2015

Attributable to owners of the Company

	Share capital HK\$'000	Share-based compensation reserve HK\$'000	Translation reserve HK\$'000	Equity participant reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 April 2015 (audited)	10,925,483	239,527	946,154	15,942	4,562,895	16,690,001
Profit for the period	-	-	-	-	372,439	372,439
Exchange difference arising on translation	-	-	(518,404)	-	-	(518,404)
Total comprehensive (expense) income for the period	-	-	(518,404)	-	372,439	(145,965)
Recognition of equity-settled share-based payments	-	10,804	-	-	-	10,804
Exercise of share options	4,516	(1,823)	-	-	-	2,693
Lapse of share options	-	(443)	-	-	443	-
<b>At 30 September 2015 (unaudited)</b>	<b>10,929,999</b>	<b>248,065</b>	<b>427,750</b>	<b>15,942</b>	<b>4,935,777</b>	<b>16,557,533</b>
At 1 April 2014 (audited)	10,923,728	191,561	929,436	15,942	3,904,454	15,965,121
Profit for the period	-	-	-	-	524,317	524,317
Exchange difference arising on translation	-	-	198,657	-	-	198,657
Total comprehensive income for the period	-	-	198,657	-	524,317	722,974
Recognition of equity-settled share-based payments	-	26,706	-	-	-	26,706
Exercise of share options	1,466	(516)	-	-	-	950
Lapse of share options	-	(1,024)	-	-	1,024	-
At 30 September 2014 (unaudited)	10,925,194	216,727	1,128,093	15,942	4,429,795	16,715,751

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2015

	<b>Six months ended 30 September</b>	
	<b>2015</b>	2014
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
<b>Operating activities</b>		
Cash generated from (used in) operations	<b>687,563</b>	(4,209)
Tax paid	<b>(577)</b>	(3,699)
Net cash generated from (used in) operating activities	<b>686,986</b>	(7,908)
<b>Investing activities</b>		
Construction costs paid in respect of investment properties under construction	<b>(853,584)</b>	(1,840,090)
Other cash flows arising from investing activities	<b>(4,035)</b>	(73,302)
Net cash used in investing activities	<b>(857,619)</b>	(1,913,392)
<b>Financing activities</b>		
Loan advanced from a related company	<b>277,350</b>	3,110,175
Repayment of loan advanced from a related company	<b>(81,447)</b>	(1,969,167)
Other cash flows arising from financing activities	<b>(33,452)</b>	(38,692)
Net cash generated from financing activities	<b>162,451</b>	1,102,316
Net decrease in cash and cash equivalents	<b>(8,182)</b>	(818,984)
Cash and cash equivalents at the beginning of the period	<b>15,318</b>	1,453,579
Effect of foreign exchange rate changes	<b>(1,908)</b>	4,789
Cash and cash equivalents at the end of the period	<b>5,228</b>	639,384



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

## 1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“**HKAS**”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as with 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**”). The interim results have been reviewed by the audit committee of the Company (the “**Audit Committee**”) and was authorised to issue by the Board on 27 November 2015.

The financial information relating to the year ended 31 March 2015 that is included in this interim report 2015 as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 March 2015 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

## 2. PRINCIPAL ACCOUNTING POLICIES

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

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2015 are the same as those followed in the preparation of the Group’s annual audited financial statements for the year ended 31 March 2015.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

## 2. PRINCIPAL ACCOUNTING POLICIES (continued)

During the Period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA that are relevant for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 19	Defined Benefit Plans: Employees Contributions
Amendments to HKFRSs	Annual improvement to HKFRSs 2010-2012 cycle
Amendments to HKFRSs	Annual improvement to HKFRSs 2011-2013 cycle

The application of the above 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. REVENUE AND SEGMENT INFORMATION

	Six months ended 30 September	
	2015	2014
	HK\$’000	HK\$’000
	(unaudited)	(unaudited)
Sales of properties	<b>27,149</b>	479,270
Hotel operation	<b>8,338</b>	5,713
Advertising, VIP Box and ticketing income from polo tournaments	<b>17,246</b>	903
Polo club membership income	<b>3,401</b>	1,545
Project management fee	<b>1,258</b>	1,316
	<b>57,392</b>	488,747

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

## 3. REVENUE AND SEGMENT INFORMATION (continued)

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

	Six months ended 30 September							
	Property development		Property investment		Hotel and polo club operation		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Revenue	28,407	480,587	-	-	28,985	8,160	57,392	488,747
Segment (loss) profit	(572)	314,876	771,191	715,348	(121,971)	(156,132)	648,648	874,092
Interest income							16	405
Unallocated corporate expenses							(68,961)	(94,621)
Finance costs							(8,284)	(11,209)
Profit before tax							571,419	768,667

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

	30.9.2015 HK\$'000 (unaudited)	31.3.2015 HK\$'000 (audited)
Property development	9,727,241	9,709,714
Property investment	22,380,602	21,059,420
Hotel and polo club operation	2,721,620	2,835,928
Total segment assets	34,829,463	33,605,062
Total unallocated assets	31,603	43,810
Group's total assets	34,861,066	33,648,872



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

## 4. OTHER INCOME

	<b>Six months ended 30 September</b>	
	<b>2015</b>	2014
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
Interest received on bank deposits	<b>16</b>	405
Government grants	<b>12,363</b>	–
Others	<b>82</b>	75
	<b>12,461</b>	480

## 5. FINANCE COSTS

	<b>Six months ended 30 September</b>	
	<b>2015</b>	2014
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
Interest on:		
– Finance leases	<b>10</b>	14
– Bank borrowing	<b>8,274</b>	11,195
– Loan from a related company	<b>306,139</b>	178,822
	<b>314,423</b>	190,031
Less: Amount capitalised in investment properties under construction	<b>(235,727)</b>	(175,245)
Amount capitalised in properties for sale	<b>(70,412)</b>	(3,577)
	<b>8,284</b>	11,209

Note: All capitalised finance costs are related to specific borrowings.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

## 6. PROFIT BEFORE TAX

	Six months ended 30 September	
	2015	2014
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit before tax has been arrived at after charging:		
Amortisation of prepaid lease payments	3,162	3,227
Depreciation of property, plant and equipment	49,352	53,385
Depreciation of ponies	5,144	4,550

## 7. INCOME TAX EXPENSE

	Six months ended 30 September	
	2015	2014
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
The income tax expense comprises:		
Current tax		
– PRC Enterprise Income Tax	1,872	33,549
– PRC Land Appreciation Tax	2,139	28,345
	4,011	61,894
Deferred tax	194,969	182,456
	198,980	244,350

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

## 7. INCOME TAX EXPENSE (continued)

No provision for Hong Kong Profits Tax has been made as the group companies operating in Hong Kong do not have any assessable profits for both periods.

For the six months ended 30 September 2015, the relevant tax rate for the Company's subsidiaries in the PRC is 25% (30 September 2014: 25%).

The provision of the PRC Land Appreciation Tax is calculated according to the requirements set forth in the relevant PRC tax laws and regulations. The PRC Land Appreciation Tax has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

## 8. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2015 (30 September 2014: Nil).

## 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:

	Six months ended 30 September	
	2015	2014
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<b>Earnings</b>		
Earnings for the purpose of basic and diluted earnings per share (profit for the period attributable to owners of the Company)	<b>372,439</b>	524,317



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

## 9. EARNINGS PER SHARE (continued)

	2015 Number of shares	2014 Number of shares
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>3,567,846,720</b>	3,567,407,445
Effect of dilutive potential ordinary shares:		
– Share options	<b>101,794,466</b>	29,554,613
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<b>3,669,641,186</b>	3,596,962,058

The computation of diluted earnings per share for the six months ended 30 September 2014 did not assume the exercise of certain of the Company's share options as the exercise price was higher than the average market price per share.

## 10. INVESTMENT PROPERTIES

	HK\$'000
At 1 April 2014 (audited)	14,823,132
Exchange realignment	12,639
Construction cost incurred and capitalised expenditure	4,514,766
Transferred from other assets	357,947
Increase in fair value recognised in profit or loss	679,155
Fair value gain upon transfer of other assets to investment properties	640,294
At 31 March 2015 and 1 April 2015 (audited)	21,027,933
Exchange realignment	(483,113)
Construction cost incurred and capitalised expenditure	1,025,703
Increase in fair value recognised in profit or loss	779,878
<b>At 30 September 2015 (unaudited)</b>	<b>22,350,401</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

## 10. INVESTMENT PROPERTIES (continued)

The fair values of the Group's investment properties at 30 September 2015 and 31 March 2015 have been arrived at on the basis of valuation carried out on these dates by Savills Valuation and Professional Services Limited, an independent qualified professional valuer not connected with the Group, who has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

In estimating the fair values of the Group's investment properties, the highest and best use of the properties is their current use.

The valuation of the Group's investment properties under construction is determined with reference to the fair value of the bare land plus construction costs incurred. The fair value of the bare land has been arrived at by adopting the comparison approach and making reference to the market transactions as available in the markets, with adjustments made to account for various factors including geographical location of the properties, availability of transportation system and public facilities and the estimated development period of the Group's investment properties under construction. The valuer has also determined on the basis that the Group's investment properties under construction will be developed and completed in accordance with the latest development proposals and taken into account the construction costs that will be expended to complete the development as well as developer's profit margin to reflect the quality of the completed development.

There were no changes to the valuation techniques during the Period.

All of the Group's property interests held under operating leases to earn rentals purpose are measured using the fair value model and are classified and accounted for as investment properties.

All of the Group's investment properties are under construction and located on leasehold lands in the PRC under medium-term leases.

## 11. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	<b>30.9.2015</b> <b>HK\$'000</b> <b>(unaudited)</b>	31.3.2015 HK\$'000 (audited)
Trade receivables	<b>831</b>	69,048
Other receivables and prepayments	<b>168,879</b>	171,209
Deposits	<b>15,714</b>	15,014
Total trade and other receivables, prepayments and deposits	<b>185,424</b>	255,271

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

## 11. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (continued)

As at 30 September 2015, included in trade and other receivables, prepayments and deposits of the Group are trade receivables (net of allowance for doubtful debts) of HK\$831,000 (31 March 2015: HK\$69,048,000), of which none of the receivables are to be settled based on the terms of sales and purchase agreements of completed properties for sale (31 March 2015: HK\$68,217,000). The Group allows an average credit period of 30 days to its customers for certain services rendered by the Group and was within the age of 30 days.

All the trade receivables are not impaired and the Group maintains a defined credit policy to assess the credit quality of each counterparty. The collection is closely monitored to minimise any credit risk associated with these trade debtors.

## 12. TRADE AND CONSTRUCTION COST PAYABLES, OTHER PAYABLES AND ACCRUALS

An aged analysis of trade payables, presented based on the invoice date, at the end of the reporting period is set out as follows:

	30.9.2015 HK\$'000 (unaudited)	31.3.2015 HK\$'000 (audited)
0-90 days	524,200	361,965
Total trade payables	524,200	361,965
Construction cost payables	4,613,966	4,004,325
Retention payables	1,815,756	1,816,785
<b>Trade and construction cost payables</b>	<b>6,953,922</b>	<b>6,183,075</b>
Dividend payable	1,102	1,102
Other payables	417,718	426,255
Deposit received in advance	355,316	387,591
Polo club membership fees received in advance	66,554	68,736
Others	1,182	1,210
<b>Other payables and accruals</b>	<b>841,872</b>	<b>884,894</b>
	<b>7,795,794</b>	<b>7,067,969</b>



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

## 13. BANK BORROWING

At 30 September 2015, the Group has an unsecured bank loan in the amount of RMB168,750,000 (equivalent to HK\$206,078,000) (31 March 2015: RMB191,250,000 (equivalent to HK\$239,082,000)). Such bank loan carries interest at market rate of 5.92% (31 March 2015: 6.79%) per annum and is repayable in instalments over a period of 7 years to 2019. The proceed was used to finance the daily operation of hotel and polo club.

During the Period, the Group repaid RMB22,500,000 (equivalent to HK\$27,817,000) (31 March 2015: RMB45,000,000 (equivalent to HK\$56,255,000)) based on the scheduled repayment dates.

## 14. LOAN FROM A RELATED COMPANY

The Group obtained an unsecured loan facility from a related company, Goldin Special Situations Limited (“**Goldin Special Situations**”), in which Mr. Pan has a beneficial interest, at the principal amount of not more than US\$2 billion (equivalent to HK\$15,499,000,000 (31 March 2015: HK\$15,509,000,000)) which is unsecured, carries interests at a rate of 8% per annum and is repayable on or before 31 December 2016, which was classified as non-current.

## 15. SHARE CAPITAL

	Number of shares	Share capital HK\$'000
Issued and fully paid:		
At 1 April 2014 (audited)	3,567,380,426	10,923,728
Issue of new shares upon exercise of share options	367,109	1,755
At 31 March 2015 and 1 April 2015 (audited)	3,567,747,535	10,925,483
Issue of new shares upon exercise of share options	822,798	4,516
<b>At 30 September 2015 (unaudited)</b>	<b>3,568,570,333</b>	<b>10,929,999</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

## 16. SHARE-BASED PAYMENT TRANSACTIONS

822,798 (31 March 2015: 367,109) and 451,968 (31 March 2015: 3,831,708) share options were exercised and lapsed respectively during the Period.

During the Period, share-based payments in respect of the 2002 Share Option Scheme and the 2012 Share Option Scheme with total amount of HK\$10,804,000 (30 September 2014: HK\$26,706,000) was recognised as an expense.

## 17. COMMITMENTS

As of 30 September 2015, the Group had commitments of approximately HK\$14,446,808,000 (31 March 2015: HK\$16,714,083,000).

For the commitments, the future committed capital expenditures which are to be incurred mainly for properties for sale and investment properties under construction up to 2018 will be HK\$5,131,914,000 (31 March 2015: HK\$5,243,773,000) and HK\$9,300,369,000 (31 March 2015: HK\$11,456,211,000) respectively.

## 18. RELATED PARTY TRANSACTIONS

The Group's transactions with related parties are as follows:

	Six months ended 30 September	
	2015	2014
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<b>Transactions with related companies in which the ultimate controlling shareholder has beneficial interests:</b>		
– Interest expenses on loan from a related company*	306,139	178,822
– Project management fee income*	1,258	1,316
– Purchase of wine products*	192	324
– Purchase of smart phone products*	–	152

\* These transactions constituted connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

Compensation of key management personnel amounted to approximately HK\$18,759,000 (30 September 2014: HK\$21,240,000) for the six months ended 30 September 2015.