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DAN FORM HOLDINGS COMPANY LIMITED
(Incorporated in Hong Kong with limited liability)
 (Stock Code : 271)

2015 INTERIM RESULTS ANNOUNCEMENT

RESULTS

The Board of Directors of Dan Form Holdings Company Limited (the “Company”) announce the unaudited consolidated results of the Company and its subsidiaries (together the “Group”) for the six months ended 30 June 2015 with comparative figures for the previous corresponding period as follows:

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT
 FOR THE SIX MONTHS ENDED 30 JUNE 2015

		Unaudited	
		Six months ended 30 June	
	Note	2015	2014
		HK\$'000	HK\$'000
Revenue	3	25,755	25,442
Other income		1,522	1,310
Other losses, net	4	-	(2,415)
Rent and rates		(265)	(183)
Building management fees		(2,897)	(2,907)
Staff costs, including directors' remuneration		(9,210)	(8,321)
Depreciation and amortisation		(2,942)	(3,237)
Repair and maintenance		(3,143)	(536)
Administrative expenses		(4,757)	(4,789)
Operating profit before change in fair value of investment properties		4,063	4,364
Change in fair value of investment properties		41,385	3,138
Operating profit	5	45,448	7,502
Share of profits of associates	6	83,591	71,083
Profit before income tax		129,039	78,585
Income tax expenses	7	(6,600)	(2)
Profit for the period		122,439	78,583
		HK cents	HK cents
Earnings per share			
Basic and diluted	9	9.82	6.30

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME**
FOR THE SIX MONTHS ENDED 30 JUNE 2015

	Unaudited	
	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Profit for the period	122,439	78,583
Other comprehensive income:		
<i>Items that may be reclassified to profit or loss in future periods</i>		
Surplus on revaluation of a building	4,439	-
Change in fair value of available-for-sale financial assets	1,035	1,981
Currency translation differences	-	(710)
Other comprehensive income for the period, net of tax	5,474	1,271
Total comprehensive income for the period	127,913	79,854

**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2015**

	Note	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	87,009	135,717
Investment properties		1,002,260	910,375
Land use rights		25,407	25,646
Associates		3,542,002	3,558,411
Available-for-sale financial assets		44,960	43,925
		<u>4,701,638</u>	<u>4,674,074</u>
Current assets			
Debtors, prepayments, deposits and other receivables	11	8,119	9,796
Amounts due from associates		187,724	150,915
Income tax recoverable		485	485
Cash and bank balances		422,719	368,887
		<u>619,047</u>	<u>530,083</u>
Total assets		<u><u>5,320,685</u></u>	<u><u>5,204,157</u></u>
EQUITY			
Share capital		681,899	681,899
Reserves		4,464,084	4,361,117
Total equity		<u>5,145,983</u>	<u>5,043,016</u>
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		129,822	123,868
Current liabilities			
Creditors and accruals	12	28,564	25,248
Amounts due to associates		15,145	11,500
Income tax payable		1,171	525
		<u>44,880</u>	<u>37,273</u>
Total liabilities		<u>174,702</u>	<u>161,141</u>
Total equity and liabilities		<u>5,320,685</u>	<u>5,204,157</u>
Net current assets		<u>574,167</u>	<u>492,810</u>
Total assets less current liabilities		<u>5,275,805</u>	<u>5,166,884</u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

	Share capital HK\$'000	Share premium HK\$'000	Special capital reserve HK\$'000	Other reserves HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 31 December 2013 (Audited)	<u>623,649</u>	<u>58,250</u>	<u>663</u>	<u>20,621</u>	<u>4,086,839</u>	<u>4,790,022</u>
Profit for the period	-	-	-	-	78,583	78,583
Change in fair value of available-for-sale financial assets	-	-	-	1,981	-	1,981
Currency translation differences	-	-	-	(710)	-	(710)
Other comprehensive income for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,271</u>	<u>-</u>	<u>1,271</u>
Total comprehensive income for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,271</u>	<u>78,583</u>	<u>79,854</u>
Transition to no-par value regime on 3 March 2014	58,250	(58,250)	-	-	-	-
Transfer from special capital reserve to retained profits	<u>-</u>	<u>-</u>	<u>(30)</u>	<u>-</u>	<u>30</u>	<u>-</u>
At 30 June 2014 (Unaudited)	<u><u>681,899</u></u>	<u><u>-</u></u>	<u><u>633</u></u>	<u><u>21,892</u></u>	<u><u>4,165,452</u></u>	<u><u>4,869,876</u></u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

	Share capital HK\$'000	Special capital reserve HK\$'000	Other reserves HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 31 December 2014 (Audited)	681,899	633	26,412	4,334,072	5,043,016
Profit for the period	-	-	-	122,439	122,439
Surplus on revaluation of a building	-	-	4,439	-	4,439
Change in fair value of available-for-sale financial assets	-	-	1,035	-	1,035
Other comprehensive income for the period	-	-	5,474	-	5,474
Total comprehensive income for the period	-	-	5,474	122,439	127,913
Final dividend paid relating to 2014	-	-	-	(24,946)	(24,946)
At 30 June 2015 (Unaudited)	681,899	633	31,886	4,431,565	5,145,983

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 General information

The Company is a limited liability company incorporated in Hong Kong and is listed on the Main Board of The Stock Exchange of Hong Kong Limited. The address of its registered office is 33/F., Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Hong Kong.

The principal activities of the Group are property investment, property rental and estate management.

The condensed consolidated interim financial information has been approved by the Board of Directors on 28 August 2015.

The condensed consolidated interim financial information has not been audited.

2 Basis of preparation

The condensed consolidated interim financial information for the six months ended 30 June 2015 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

The accounting policies methods of computation, financial risk management and critical accounting estimates and judgements used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2014, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

There are no amendments to standards or interpretations that are effective for the first time for this interim period that could be expected to have a material impact on this Group.

The following new standards and amendments to standards have been issued, but are not effective for the financial period beginning 1 January 2015 and have not been early adopted:

Annual improvements Project	Annual improvements 2012 - 2014 cycle ¹
HKAS 1	Disclosure initiative ¹
HKFRS 14	Regulatory deferral accounts ¹
HKFRS 10 and HKAS 28 (Amendment)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
HKFRS 10, HKFRS 12 and HKAS 28 (Amendment)	Investment entities: applying the consolidation exception ¹
HKFRS 11 (Amendment)	Accounting for Acquisitions of Interests in Joint Operations ¹
HKAS 16 and HKAS 38 (Amendment)	Clarification of Acceptable Methods of Depreciation and Amortisation ¹
HKAS 16 and HKAS 41 (Amendment)	Agriculture: Bearer Plants ¹
HKAS 27 (Amendment)	Equity Method in Separate Financial Statements ¹
HKFRS 15	Revenue from Contracts with Customers ²
HKFRS 9	Financial Instruments ³

¹ Effective for the Group for annual periods beginning on or after 1 January 2016

² Effective for the Group for annual periods beginning on or after 1 January 2017

³ Effective for the Group for annual periods beginning on or after 1 January 2018

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application and is not yet in a position to state whether these new and revised HKFRSs will have any significant impact on the Group's results of operations and financial position.

3 Revenue and segment information

Revenue, which is also the Group's turnover, is shown as follows:

	Unaudited	
	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Rental from investment properties	18,562	18,425
Estate management fees	5,843	5,817
Dividend income from unlisted investments	1,350	1,200
	25,755	25,442

The chief operating decision-maker has been identified as the executive director of the Company. The executive director regards the Group's business as a single operating segment, which is property rental and estate management and reviews financial information accordingly. Therefore, no segment analysis of the Group's revenue and contribution to operating profit is presented.

The total of non-current assets other than associates and available-for-sale financial assets located in Hong Kong is HK\$1,083,032,000 (as at 31 December 2014: HK\$1,039,695,000), and the total of non-current assets located in Mainland China is HK\$31,644,000 (as at 31 December 2014: HK\$32,043,000).

4 Other losses, net

	Unaudited	
	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Net exchange losses	-	(2,315)
Loss on disposal of property, plant and equipment	-	(111)
Others	-	11
	<u>-</u>	<u>(2,415)</u>

5 Operating profit

	Unaudited	
	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Operating profit is arrived at after charging:		
Outgoings of investment properties	<u>6,180</u>	<u>3,389</u>

6 Share of profits of associates

Share of profits of associates include the following :

	Unaudited	
	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Change in fair value investment properties (Note)	161,700	71,000
Taxation	<u>(26,681)</u>	<u>(11,715)</u>

Note:

The investment properties of the associates were valued by DTZ Debenham Tie Leung Limited, independent professional qualified surveyors, on an open market value basis.

7 Income tax expenses

	Unaudited	
	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Current income tax		
Hong Kong	646	980
Deferred income tax	5,954	(978)
	<u>6,600</u>	<u>2</u>

Hong Kong profits tax has been provided at the rate of 16.5% (2014: 16.5%) on the estimated assessable profit for the period. Taxation on profits generated in Mainland China has been provided at the rate of taxation prevailing in Mainland China.

8 Dividends

	Unaudited	
	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Interim dividend of HK\$ nil (2014: HK\$ nil) per ordinary share	-	-

Note:

The Board of Directors do not recommend the payment of interim dividend for the period ended 30 June 2015 (2014 : nil).

A final dividend of HK\$24,946,000 for the year ended 31 December 2014 has been approved at the annual general meeting of the Company held on 22 May 2015. The final dividend has been paid on 30 June 2015.

9 Earnings per share (Unaudited)

The calculation of basic earnings per share is based on the Group's profit attributable to equity holders of HK\$122,439,000 (2014: HK\$78,583,000) and 1,247,298,945 (2014: 1,247,298,945) shares in issue during the period.

The diluted earnings per share equals the basic earnings per share since there are no dilutive potential shares in issue during both periods.

10 Property, plant and equipment

	2015 HK\$'000	2014 HK\$'000
Net book value at 1 January (Audited)	135,717	95,041
Surplus on revaluation of a building	4,439	-
Additions	56	114
Disposals	-	(111)
Transfer to investment properties	(50,500)	-
Exchange realignment	-	(53)
Depreciation	(2,703)	(3,002)
Net book value at 30 June (Unaudited)	<u>87,009</u>	<u>91,989</u>

11 Debtors, prepayments, deposits and other receivables

	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK'000
Trade debtors	1,321	2,895
Other debtors	5,468	5,346
Prepayments and deposits	1,330	1,555
	<u>8,119</u>	<u>9,796</u>

Trade debtors represent rental income and estate management fees receivables and are receivable on presentation of invoices. The ageing of these trade debtors of the Group, net of provisions and in accordance with the dates of the invoices, is as follows:

	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK'000
Within 30 days	1,321	2,697
31 to 60 days	-	195
61 to 90 days	-	-
Over 90 days	-	3
	<u>1,321</u>	<u>2,895</u>

12 Creditors and accruals

	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK\$'000
Trade creditors	17	17
Other creditors	24,392	18,212
Accrued operating expenses	4,155	7,019
	<u>28,564</u>	<u>25,248</u>

The ageing of the trade creditors of the Group is as follows:

	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK\$'000
Within 30 days	<u>17</u>	<u>17</u>

13 Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the year but not yet incurred is as follows:

	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK\$'000
Investment properties – repairs and maintenance	<u>-</u>	<u>3,474</u>

(b) Operating lease rental receivable

The future minimum lease rental receipts under non-cancellable operating leases in respect of investment properties are receivable in the following periods:

	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK\$'000
Within one year	25,884	30,204
Between one to five years	26,986	29,456
	<u>52,870</u>	<u>59,660</u>

14 Related party transactions

	Unaudited	
	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Estate management fee income from associates	<u>3,536</u>	<u>3,397</u>

The Group provided estate management services to Zeta Estates Limited and Kin Tong Land Investment Company Limited, associates of the Group, during the period. Estate management fees were charged at agreed percentages of rental income during the period.

INTERIM DIVIDEND

The Board of Directors of the Company have resolved not to declare any interim dividend for the six months ended 30 June 2015 (2014 : HK\$ nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Operations

The Group recorded a revenue of HK\$25,755,000 for the six months ended 30 June 2015, which represented an increase of approximately HK\$313,000 or 1% as compared with the same period in 2014. This was attributable to an increase of rental income from investment properties.

The profit attributable to equity holders for the six months ended 30 June 2015 was HK\$122,439,000 whereas HK\$78,583,000 was made for the same period in 2014. The increase in profit of HK\$43,856,000 or 56% was mainly due to the increase in fair value gain of investment properties held by the Group and its associates.

Hong Kong Business

Property

For the six months ended 30 June 2015, the Group's commercial properties situated at Harbour Crystal Centre recorded an average occupancy level of approximately 99% and the properties rental income was performed satisfactory.

The Group's residential properties situated at Redhill Peninsula held by an associate (33.33% owned) recorded an average occupancy level of approximately 29%. During the period, the Group's net rental income at Redhill Peninsula from the associate decreased when compared with the same period last year because as from 2015 onwards, the Group and its associate have started launching the sales of 117 apartments and 267 car parking spaces at the Redhill Peninsula. As at the date of this report, 81 apartments and 114 car parking spaces were sold out at a consideration of approximately HK\$2,347,645,000 which approximately HK\$782,548,000 (before profits tax and sales expenses) is attributable to the Group. Up to 30 June 2015, sales of 5 apartments and 7 car parking spaces were completed at a consideration of HK\$130,739,000, which approximately HK\$43,580,000 (before profits tax and expenses) was attributable to the Group. If the sales of the remaining 76 apartments and 107 car parking spaces are completed, it is expected that approximately HK\$738,968,000 (before profits tax and sales expenses) will be attributable to the Group, and the Group may receive net proceeds of approximately HK\$524,667,000 after payments of profits tax and sales expenses.

The Group's industrial properties situated at Ap Lei Chau, Hong Kong, the Harbour Industrial Centre and the Oceanic Industrial Centre held by the associate (33.3% owned) recorded an average occupancy level of approximately 93% and the properties have been improving in leasing out.

Beijing Business

The Wangfujing Projects

Dan Yao Building (85% owned)

Up to the end of 30 June 2015, The transfer of the title and the issue of the Certificate for the Use of State-Owned Land to the purchaser is still in process, and if the transfer is completed, the purchaser will pay the remaining balance. By reason that registration of the transfer of the land title needs the proof of payment of the land appreciation tax, the liquidation administrators of Dan Yao Building is now dealing with this matter with Beijing Tax Department.

Due to the fact that Dan Yao project has been dragged on for a long time, and the confirmation of tax clearance matters are being carried out slowly, the date of completion of the liquidation of Dan Yao is still uncertain.

The Xidan Project (29.4% owned)

During the first half of the year 2015, according to the board of directors' resolution, Beijing Jing Yuan Property Development Co., Ltd ("Jing Yuan") will be liquidated, and in the meantime, its assets will be activated, and part of the property at the 8th Floor of the building located at No. 1, Hua Yuan North Street was leased out, and arrangements have been made for the settlements of part of its debts.

In the second half of the year 2015, as all the property developments of Jing Yuan have been completed, we will try to liquidate the company as soon as possible.

GROUP ASSETS AND CHARGES

The total assets of the Group have increased from HK\$5,204,157,000 as at 31 December 2014 to HK\$5,320,685,000 as at 30 June 2015. Net assets of the Group have also increased from HK\$5,043,016,000, as at 31 December 2014 to HK\$5,145,983,000 as at 30 June 2015. At 30 June 2015, the investment properties of the Group in Hong Kong of HK\$910,160,000 (31 December 2014: HK\$872,800,000), was pledged as securities for the banking facilities. The Group has no bank loan, but will undergo a discussion with the bank for the renewal of banking facilities and the bank may provide banking facilities if necessary.

GROUP FINANCIAL POSITION, LIQUIDITY AND FINANCIAL RESOURCES

The total liabilities of the Group have increased from HK\$161,141,000 as at 31 December 2014 to HK\$174,702,000 as at 30 June 2015. The Group had cash and bank balances of HK\$422,719,000 as at 30 June 2015 (31 December 2014: HK\$368,887,000). The ratio of total liabilities to total assets was approximately 3% (2014: 3%). As at 30 June 2015, the Group had no bank loans and bank overdrafts (2014: nil) and the total equity was HK\$5,145,983,000 (31 December 2014: HK\$5,043,016,000).

As at 30 June 2015, the current assets of the Group amounted to HK\$619,047,000 (31 December 2014: HK\$530,083,000), which exceeded its current liabilities by HK\$574,167,000 (31 December 2014: HK\$492,810,000).

For the six months ended 30 June 2015, the Group had no significant exposure to fluctuations in exchange rates and related hedges and there were no contingent liabilities.

EMPLOYEES

As at 30 June 2015, the Group, excluding associates, had 57 (31 December 2014: 56) employees of which 41 (31 December 2014: 41) were employed in Hong Kong.

In addition to basic salaries, employees in Hong Kong are provided with medical insurance and some of them are included under a defined contribution provident fund scheme and mandatory provident fund scheme. Employees in the Mainland China are provided with medical insurance, elderly insurance, loss of job insurance, injury insurance and provident fund for housing. Some of them are also provided with birth insurance.

PROSPECTS

Facing uncertain economic environments, the Group is continuing to follow its predetermined strategies. Based on its sound foundation, the Group is now pursuing new business so as to make a better future development.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

The Company has not redeemed any of its shares during the six months ended 30 June 2015. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the six months ended 30 June 2015.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding the directors' securities transactions. The Company has made specific enquiry of all Directors whether they have complied with the Model Code and all Directors confirmed that they have complied with the Model Code for the six-months ended 30 June 2015.

Written guidelines on no less exacting terms than the Model Code relating to securities transactions for employees have been sent to the relevant employees of the Group.

AUDIT COMMITTEE REVIEW

For the six months ended 30 June 2015, the interim results for the reporting period are unaudited. The interim results of the Group have been reviewed by the Audit Committee.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance within a sensible framework. The Company has complied with all the code provisions as set out in Appendix 14 of the Code on Corporate Governance Practices of the Listing Rules throughout the accounting period for the six months ended 30 June 2015, except for the following deviations:

Code Provision A.2.1

This Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

The Group currently has no separation of the role of the chairman and chief executive. The Board considers that this structure will not impair the balance and authority between the Board and the management of the Group.

Code Provision A.6.7

This Code stipulates that where independent non-executive directors and other non-executive directors should also attend general meetings.

One of the independent non-executive Directors of the Company Mr. Xiang Bing was unable to attend the annual general meeting of the Company held on 22 May 2015 as he was in overseas due to having a business trip.

By Order of the Board
DAN FORM HOLDINGS COMPANY LIMITED
Chen Si Ying, Cynthia
Company Secretary

Hong Kong, 28 August 2015

As at the date of this announcement, the Board comprised Mr. Dai Xiaoming as Executive Director, Mr. Kenneth Hiu King Kon as a Non-Executive Director, and Mr. Jesse Nai Chau Leung, Dr. Xiang Bing and Mr. Edward Shen as Independent Non-Executive Directors.

This interim results announcement is published on the website of the Company (<http://www.danform.com.hk>) and the designated issuer website of the Stock Exchange (<http://www.hkex.com.hk>). The Interim Report 2015 containing all the information required by the Listing Rules will be dispatched to shareholders and made available on the above websites on or around 16 September 2015.