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**S E A HOLDINGS LIMITED**

**爪哇控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code : 251)**

**OVERSEAS REGULATORY ANNOUNCEMENT**

*(This overseas regulatory announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. )*

Please refer to the attached announcement on the next page issued by Asian Growth Properties Limited, a 97.17%-owned subsidiary of the Company listed on the AIM Market of London Stock Exchange plc., on 21 August 2013.

At the date of this announcement, the Board of the Company comprises the following members:

*Executive Directors:* Messrs. Lu Wing Chi (*Chairman and Managing Director*),  
Lu Wing Yuk, Andrew, Lincoln Lu and Lambert Lu

*Non-executive Director:* Mr. Lam Sing Tai

*Independent Non-executive Directors:* Messrs. Walujo Santoso, Wally, Leung Hok Lim and Chung Pui Lam

Hong Kong, 22 August 2013

*\* For identification purpose only*

21 August 2013

Asian Growth Properties Limited  
Immediate Release

### Results for the six months ended 30 June 2013

Asian Growth Properties Limited (the “Company”) (AIM Stock Code: AGP), the Hong Kong based China property development and investment company, announces its unaudited condensed consolidated results for the six months ended 30 June 2013 as follows:

#### Financial Highlights

- Profit attributable to the Company’s shareholders of HK\$277.3 million (£23.5 million) (2012: HK\$367.4 million (£30.4 million))
- Profit attributable to the Company’s shareholders (excluding revaluation surplus net of deferred tax) was HK\$125.3 million (£10.6 million) (2012: HK\$8.2 million (£0.7 million))
- Earnings per share for profit attributable to the Company’s shareholders of HK31.3 cents (2.6 pence) (2012: HK41.4 cents (3.4 pence))
- Net asset value per share attributable to the Company’s shareholders as at 30 June 2013 of HK\$13.8 (116.8 pence) (31 December 2012: HK\$13.4 (106.9 pence))
- Geographical location of the Group’s property assets were as follow:

	30 June 2013	31 December 2012
Hong Kong	<b>HK\$9,526.8 million (£806.3 million)</b>	HK\$9,385.0 million (£748.9 million)
Mainland China	<b>HK\$4,195.2 million (£355.1 million)</b>	HK\$4,046.1 million (£322.8 million)
Total	<b>HK\$13,722.0 million (£1,161.4 million)</b>	HK\$13,431.1 million (£1,071.7 million)

- Gearing ratio of 9.0% (31 December 2012: 9.9%)

#### Operational Highlights

- Increased gross rental income generated from Dah Sing Financial Centre in Hong Kong and its occupancy rate remains high.
- The hotel operation results of Crowne Plaza Hong Kong Causeway Bay were satisfactory.
- Major mixed use development projects in Chengdu and Kaifeng, Mainland China are progressing. Site formation works for Phase I of Chengdu project and superstructure works for Phase I of Kaifeng project are planned to commence in the third quarter of 2013.

*Notes:*

1. *Figures in Pounds Sterling are translated from Hong Kong dollars based upon the exchange rates prevailing on the latest practicable business day of the respective accounting periods. The relevant exchange rates adopted are stated as follows:*

*For 30 June 2013: £1 = HK\$11.8152*  
*For 31 December 2012: £1 = HK\$12.5323; and*  
*For 30 June 2012: £1 = HK\$12.0836*

2. *For Shareholders' information, the exchange rate on 20 August 2013 was £1 = HK\$12.1505*

## **Miscellaneous**

The results included in this announcement are extracted from the unaudited condensed consolidated financial statements of the Company for the six months ended 30 June 2013, which have been approved by the Board of Directors on 21 August 2013.

The 2013 Interim Report is expected to be posted to shareholders and holders of depositary interests in late September 2013.

For further information, please contact:

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Executive Director  
Asian Growth Properties Limited

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Andrew Potts  
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(Nominated Advisor)

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Attached:-

1. Chairman's Review;
2. Executive Directors' Review;
3. Condensed Consolidated Statement of Profit or Loss;
4. Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income;
5. Condensed Consolidated Statement of Financial Position;
6. Condensed Consolidated Statement of Changes in Equity;
7. Condensed Consolidated Statement of Cash Flows; and
8. Notes to the Condensed Consolidated Financial Statements.

## CHAIRMAN'S REVIEW

I am pleased to present the unaudited consolidated financial results of Asian Growth Properties Limited ("AGP" or the "Company", together with its subsidiaries, the "Group") for the first six months of 2013 to the shareholders of the Company.

### Results

AGP reported a profit attributable to the Company's shareholders of HK\$277.3 million (£23.5 million) for the six months ended 30 June 2013 (2012: HK\$367.4 million (£30.4 million)). The reported profit included a revaluation surplus on investment properties net of deferred taxation of HK\$152.0 million (£12.9 million) (2012: HK\$359.2 million (£29.7 million)). By excluding the net effect of such surplus, the Group's net profit attributable to the Company's shareholders was HK\$125.3 million (£10.6 million) (2012: HK\$8.2 million (£0.7 million)).

As at 30 June 2013, the Group's equity attributable to the Company's shareholders amounted to HK\$12,206.2 million (£1,033.1 million), representing an increase of HK\$344.8 million (£86.6 million) over 31 December 2012. The net asset value per share as at 30 June 2013 was HK\$13.8 (116.8 pence) as compared with HK\$13.4 (106.9 pence) as at 31 December 2012.

Figures in Pounds Sterling are translated from Hong Kong dollars based upon the exchange rates prevailing on the latest practicable business day of the respective accounting periods.

### Operations

For the first half of 2013, the Group has continued the development of various property projects in Hong Kong and Mainland China.

The rental income from investment properties situated in both Hong Kong and Mainland China continue to provide stable returns to the Group. Turnover for the period has included the sale of the commercial podium, all public car parking spaces and one residential unit of The Forest Hills. Crowne Plaza Hong Kong Causeway Bay has also performed satisfactorily with improvements in room rate compared to the prior year.

For details of the Group's operations, please refer to the Executive Directors' Review.

### Outlook

Market sentiment remains very unclear and is affected by the global moves of central banks and governments' intervention. In the past month, the Federal Reserve has given mixed signals about the timing of tapering quantitative easing. The uncertainties of U.S. economic growth and Eurozone debt levels remain one of the major risks.

Mainland China continued to experience strong economic growth with GDP growth rate maintained at 7.5% in the second quarter of 2013. In June, China's central bank has been forced to intervene in the inter-bank market in order to ensure enough liquidity in the market. However, the Central Government has introduced further measures to control investment and speculative activities over the property market which make the market more difficult to forecast. The imposition of additional stamp duties in Hong Kong has quietened down the property market in term of transaction volume but there is no signal of property prices going down as the supply of new residential units in the foreseeable future is limited.

During the period under review, the Group has disposed of most of the remaining properties held for sale and believes that our development projects will start to create significant profits over the coming few years. The Group continues to examine ways and means to enhance shareholders' value but in the present circumstances it is believed the conservative approach on both the debt and development phasing is the right decision.

### **Interim Dividend**

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

### **Acknowledgement**

The Board would like to take this opportunity to thank the executive and management team for the execution of the Board's strategy and their ongoing support.

Richard Prickett  
Non-Executive Chairman  
England, 21 August 2013

# EXECUTIVE DIRECTORS' REVIEW

## FINANCIAL SUMMARY

Turnover for the six months ended 30 June 2013 amounted to HK\$485.7 million (£41.1 million) (2012: HK\$291.9 million (£24.2 million)). The turnover was principally attributable to the recognition of rental income from investment properties, revenue from hotel operation and the sales of commercial podium and all public car parking spaces of The Forest Hills.

Profit attributable to the Company's shareholders for the period amounted to HK\$277.3 million (£23.5 million) (2012: HK\$367.4 million (£30.4 million)), equivalent to a basic earnings per share of HK31.3 cents (2.6 pence) (2012: HK41.4 cents (3.4 pence)). The reported profit included a revaluation surplus on investment properties net of deferred taxation of HK\$152.0 million (£12.9 million) (2012: HK\$359.2 million (£29.7 million)). By excluding the effect of such surplus, the Group's net profit attributable to the Company's shareholders was HK\$125.3 million (£10.6 million) (2012: HK\$8.2 million (£0.7 million)), equivalent to HK14.1 cents (1.2 pence) (2012: HK0.9 cents (0.1 pence)) per share.

As at 30 June 2013, the Group's equity attributable to the Company's shareholders amounted to HK\$12,206.2 million (£1,033.1 million) (31 December 2012: HK\$11,861.4 million (£946.5 million)). The net asset value per share attributable to the Company's shareholders as at 30 June 2013 was HK\$13.8 (116.8 pence) as compared with HK\$13.4 (106.9 pence) as at 31 December 2012.

For Shareholders' information, figures in Pounds Sterling are translated from Hong Kong dollars based upon the exchange rates prevailing on the latest practicable business day of the respective accounting periods and the relevant exchange rates adopted are stated as follows:

For 30 June 2013:	£1 = HK\$11.8152
For 31 December 2012:	£1 = HK\$12.5323; and
For 30 June 2012:	£1 = HK\$12.0836

## BUSINESS REVIEW

### Property Investment and Development

The Group continues to focus on development and investment projects in Hong Kong and Mainland China. It is the Group's approach to review and optimise the project portfolios from time to time. During the period, the Group has completed the disposal of the entire interest in the 50%-owned Leiyang project to the joint venture partner in May 2013. The Group's core projects located in Hong Kong and Mainland China are listed below.

### Hong Kong

The office leasing market was stable during the period. With several tenancies of Dah Sing Financial Centre, a 39-storey commercial building, being renewed at market rates, rental income received during the period increased. The occupancy rate of Dah Sing Financial Centre remains at a high level of approximately 97% as at 30 June 2013.

The Group has sold the commercial podium, all public car parking spaces and all the remaining residential units of The Forest Hills for the period under review. Four of the sold units of The Forest Hills will be completed in the third quarter of this year and the sale of the residents' car parking spaces are continuing.

The proposed development project at Fo Tan envisages, among other facilities, residential units, car parks, educational facilities and a bus terminus and has a site area of approximately 20,000 square metres. The foundation work has been completed and the building plans were approved by the Buildings Department.

## **Mainland China**

### *Chengdu, Sichuan Province*

During the period, the occupancy rate for the two 30-storey office towers of Plaza Central remained at a high level and its retail podium with a gross floor area of about 29,000 square metres is fully let principally to Chengdu New World Department Store on a long-term lease. As at 30 June 2013, the aggregate occupancy rate for the two office towers and the retail podium was approximately 93%. Leasing activities for the remaining areas of Plaza Central continue.

The shopping arcade of New Century Plaza with a gross floor area of about 16,300 square metres is fully let to a furniture retailer on a medium-term lease.

The Group submitted to the local government the master layout plan of the Longquan project, which has a site area of 506,000 square metres, in December 2012. Preliminary site works of the project have been completed and site formation works for Phase I are planned to commence in the third quarter of 2013.

### *Kaifeng, Henan Province*

The project in Kaifeng, known as "Nova City", has a site area of 735,000 square metres and it is to be developed into an integrated complex in Zheng-Kai District, a new town in Kaifeng. In order to provide a better living environment with lower density, the gross floor area of the proposed development will vary from 2,000,000 to 2,500,000 square metres and envisage shopping mall, premium offices, exhibition hall, hotel, serviced apartments and residential towers. The master layout plan was approved by the local government in April 2013. Foundation work for Phase I of the residential component has been completed and the superstructure works are scheduled to commence in the third quarter of 2013.

### *Guangzhou, Guangdong Province*

As at 30 June 2013, the occupancy rate of the 14-storey office tower of Westmin Plaza Phase II of about 16,100 square metres was approximately 97% with more than one-third of the total office space being leased to AIA. Leasing activities for the 3-storey shopping arcade of Westmin Plaza Phase II with a total gross floor area of about 26,400 square metres are in progress.

### *Huangshan, Anhui Province*

The project in Huangshan has a site area of about 337,000 square metres comprising of development land of about 117,000 square metres and landscape land of 220,000 square metres. An overall development plan for a hotel, serviced apartments and resort villas in the integrated resort site has been prepared and conceptual design has been completed.

### *Chi Shan, Nanjing, Jiangsu Province*

The Group has established two 51%-owned joint venture companies to participate in the tenant relocation arrangements and excavation and infrastructure works on certain pieces of land in Chi Shan. The Group intends to acquire such lands through land auctions by different stages.

### **Hotel Operation**

Crowne Plaza Hong Kong Causeway Bay is a 29-storey five-star hotel comprising 263 guest rooms with ancillary facilities and is managed by the InterContinental Hotels Group. It has achieved satisfactory occupancy and room rates for the period under review.

### **WORKING CAPITAL AND LOAN FACILITIES**

As at 30 June 2013, the Group's total cash balance was HK\$1,860.7 million (£157.5 million) (31 December 2012: HK\$1,389.3 million (£110.9 million)) and unutilised facilities were HK\$763.0 million (£64.6 million) (31 December 2012: HK\$910.0 million (£72.6 million)).

The gearing ratio as at 30 June 2013, calculated on the basis of net interest bearing debts minus cash and restricted and pledged deposits as a percentage of total property assets, was 9.0% (31 December 2012: 9.9%).

As at 30 June 2013, the maturity of the Group's outstanding borrowings was as follows:

	<b>30 June 2013</b> HK\$' million	31 December 2012 HK\$' million
Due		
Within 1 year	<b>806.8</b>	388.9
1-2 years	<b>589.5</b>	1,035.3
3-5 years	<b>1,425.9</b>	1,015.4
Over 5 years	<b>292.8</b>	300.9
	<b>3,115.0</b>	2,740.5
Less: Front-end fee	<b>(15.7)</b>	(15.4)
	<b>3,099.3</b>	2,725.1

### **Pledge of Assets**

For the Company's subsidiaries operating in Hong Kong and Mainland China, the total bank loans drawn as at 30 June 2013 amounted to HK\$3,099.3 million (31 December 2012: HK\$2,725.1 million) which comprise secured bank loans of HK\$3,069.3 million (31 December 2012: HK\$2,725.1) and unsecured bank loans of HK\$30.0 million (31 December 2012: Nil). The secured bank loans were secured by properties valued at HK\$11,161.7 million (31 December 2012: secured by properties valued at HK\$10,872.8 million and fixed deposits of HK\$58.8 million).



## **Treasury Policies**

The Group adheres to prudent treasury policies. As at 30 June 2013, all of the Group's borrowings were raised through its wholly-owned or substantially controlled subsidiaries on a non-recourse basis.

## **International Financial Reporting Standards (“IFRS”)**

The Group has adopted IFRS and the unaudited condensed consolidated financial statements accompanying this Review have been prepared in accordance with IFRS.

## **OUTLOOK**

The Mainland China property market continues to grow with the 100-cities index recording thirteen months growth since June 2012. However, the growth momentum seems to be slowing down. In Hong Kong, the sales of first-hand properties became much quieter following the new Residential Properties (First-hand Sales) Ordinance in April this year. Developers are slowing down their sale plans to assess the means of compliance with the new law.

Despite the uncertainty of the economic environment, the Group continues to progress well. Occupancy of our investment property in Hong Kong remains high and the hotel continues to achieve high occupancy levels. The investment properties in the Mainland China have also achieved high occupancy levels and in particular in Chengdu where there is an oversupply of offices but the Group has managed to retain a large number of tenants by proactive management.

In Hong Kong, the foundation work of the Fo Tan project has been completed but the development will not proceed until a more realistic land premium payment is agreed with the Government. The Group is currently in an appeal process to ensure that the land premium payment is in line with the market conditions where land prices paid for development sites are currently falling.

In respect to the development projects in Mainland China, Phase I of the Kaifeng project is underway. Around 1,200 residential units will be released for sale in the fourth quarter of this year and will be priced in line with the current competitive developments. As the site was purchased on good terms, it is foreseen that the project will provide good potential returns to the Group. The master layout plan of our Longquan project is now approved and the first pre-sales are expected to take place in mid 2014.

In view of the turbulence of the worldwide finance markets, the Board will continue the conservative approach on cash management until a clearer picture is seen.

On behalf of Executive Directors

Lu Wing Chi  
Executive Director  
Hong Kong, 21 August 2013

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE SIX MONTHS ENDED 30 JUNE 2013

	NOTES	Six months ended 30 June	
		2013 HK\$'000 (unaudited)	2012 HK\$'000 (unaudited)
Revenue	4	485,698	291,868
Interest income		8,772	9,794
Other income		8,167	5,935
Costs:			
Property and related costs	5	(110,364)	(24,306)
Staff costs		(41,188)	(38,633)
Depreciation and amortisation		(42,424)	(40,376)
Other expenses	6	(134,127)	(136,692)
		<b>(328,103)</b>	<b>(240,007)</b>
Profit from operations before fair value changes on properties		174,534	67,590
Fair value changes on investment properties		162,700	392,290
Profit from operations after fair value changes on properties		337,234	459,880
Gain on disposal of assets classified as held for sale		21,640	-
Share of results of joint ventures		-	(2,667)
Finance costs	7	(38,349)	(41,763)
Profit before taxation	8	320,525	415,450
Income tax expense	9	(44,365)	(49,955)
Profit for the period		<b>276,160</b>	<b>365,495</b>
Attributable to:			
Company's shareholders		277,309	367,364
Non-controlling interests		(1,149)	(1,869)
		<b>276,160</b>	<b>365,495</b>
		<b>HK cents</b>	<b>HK cents</b>
Earnings per share for profit attributable to the Company's shareholders	10		
- Basic		<b>31.3</b>	41.4
<i>Earnings per share excluding fair value changes on properties net of deferred tax</i>	10		
- Basic		14.1	0.9

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
 COMPREHENSIVE INCOME  
 FOR THE SIX MONTHS ENDED 30 JUNE 2013

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	<b>Six months ended 30 June</b>	
	<b>2013</b>	2012
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
Profit for the period	<b>276,160</b>	365,495
	-----	-----
Other comprehensive income (expense):		
Items that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of foreign operations	<b>70,915</b>	(20,028)
Release of translation reserve upon disposal of assets classified as held for sale	<b>(2,480)</b>	-
Share of translation differences of joint ventures	-	(250)
	-----	-----
Other comprehensive income (expense) for the period	<b>68,435</b>	(20,278)
	-----	-----
Total comprehensive income for the period	<b>344,595</b>	345,217
	=====	=====
Total comprehensive income (expense) attributable to:		
Company's shareholders	<b>344,866</b>	347,495
Non-controlling interests	<b>(271)</b>	(2,278)
	-----	-----
	<b>344,595</b>	345,217
	=====	=====

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AT 30 JUNE 2013

	NOTES	30.6.2013 HK\$'000 (unaudited)	31.12.2012 HK\$'000 (audited)
<b>Non-current assets</b>			
Investment properties	12	10,058,689	9,854,688
Property, plant and equipment	12	1,033,724	1,063,711
Properties for development	13	1,348,975	1,292,243
Loans receivable		8,169	9,396
Note receivable		15,510	15,510
Other receivable	14	372,355	365,800
Pledged bank deposits		-	58,750
Restricted bank deposits		6,277	-
		12,843,699	12,660,098
<b>Current assets</b>			
Properties held for sale			
Completed properties		499,525	574,197
Properties under development		826,494	707,889
Other inventories		794	935
Loans receivable		502	642
Trade receivables, deposits and prepayments	15	120,347	112,380
Tax recoverable		827	1,069
Amounts due from non-controlling shareholders	16	2,199	1,270
Bank balances and cash		1,854,423	1,330,574
		3,305,111	2,728,956
Assets classified as held for sale	17	-	42,090
		3,305,111	2,771,046
<b>Current liabilities</b>			
Payables, deposits and accrued charges	18	242,746	295,527
Sales deposits		6,931	-
Tax liabilities		126,964	98,922
Amounts due to non-controlling shareholders	16	95,350	93,478
Bank borrowings - due within one year	19	805,416	388,004
		1,277,407	875,931
<b>Net current assets</b>		2,027,704	1,895,115
<b>Total assets less current liabilities</b>		14,871,403	14,555,213

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued  
 AT 30 JUNE 2013

	NOTES	<b>30.6.2013</b> <i>HK\$'000</i> <b>(unaudited)</b>	31.12.2012 <i>HK\$'000</i> (audited)
<b>Capital and reserves</b>			
Share capital	20	<b>345,204</b>	345,204
Reserves		<b>11,861,019</b>	11,516,153
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Equity attributable to the Company's shareholders		<b>12,206,223</b>	11,861,357
Non-controlling interests		<b>57,724</b>	57,995
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<b>Total equity</b>		<b>12,263,947</b>	11,919,352
-----			
<b>Non-current liabilities</b>			
Bank borrowings - due after one year	19	<b>2,293,904</b>	2,337,119
Deferred taxation	21	<b>313,552</b>	298,742
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		<b>2,607,456</b>	2,635,861
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		<b>14,871,403</b>	14,555,213
=====			

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 JUNE 2013**

	Attributable to the Company's shareholders						Non- controlling interests	Total
	Share capital	Share premium	Translation reserve	Other reserves	Retained profits	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2012 (audited)	345,204	4,836,225	403,765	766,370	4,182,241	10,533,805	89,116	10,622,921
Profit for the period	-	-	-	-	367,364	367,364	(1,869)	365,495
Exchange differences arising on translation of foreign operations	-	-	(19,619)	-	-	(19,619)	(409)	(20,028)
Share of translation differences of joint ventures	-	-	(250)	-	-	(250)	-	(250)
Other comprehensive expense for the period	-	-	(19,869)	-	-	(19,869)	(409)	(20,278)
Total comprehensive (expense) income for the period	-	-	(19,869)	-	367,364	347,495	(2,278)	345,217
At 30 June 2012 (unaudited)	345,204	4,836,225	383,896	766,370	4,549,605	10,881,300	86,838	10,968,138
Profit for the period	-	-	-	-	959,083	959,083	(24,251)	934,832
Exchange differences arising on translation of foreign operations	-	-	20,974	-	-	20,974	313	21,287
Total comprehensive income (expense) for the period	-	-	20,974	-	959,083	980,057	(23,938)	956,119
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	(4,905)	(4,905)
At 31 December 2012 (audited)	345,204	4,836,225	404,870	766,370	5,508,688	11,861,357	57,995	11,919,352
Profit for the period	-	-	-	-	277,309	277,309	(1,149)	276,160
Exchange differences arising on translation of foreign operations	-	-	70,037	-	-	70,037	878	70,915
Release of translation reserve upon disposal of assets classified as held for sale	-	-	(2,480)	-	-	(2,480)	-	(2,480)
Other comprehensive income for the period	-	-	67,557	-	-	67,557	878	68,435
Total comprehensive income (expense) for the period	-	-	67,557	-	277,309	344,866	(271)	344,595
At 30 June 2013 (unaudited)	345,204	4,836,225	472,427	766,370	5,785,997	12,206,223	57,724	12,263,947

Other reserves comprise (i) a discount on acquisition/assumption of certain assets and liabilities from the intermediate holding company, S E A Holdings Limited (“SEA”) and the excess of the consideration over the market closing price of the shares issued for the acquisition. The amounts attributable to those assets and liabilities derecognised in subsequent years will be recognised in profit or loss; and (ii) the excess of the consideration paid for acquisition of an additional interest in a subsidiary from a non-controlling shareholder over the carrying amount of the non-controlling interests acquired.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2013

	<b>Six months ended 30 June</b>	
	<b>2013</b>	2012
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
<b>Net cash from (used in) operating activities</b>	118,714	(4,207)
<b>Investing activities</b>		
Purchase of property, plant and equipment	(923)	(2,167)
Net proceeds received on disposal of property, plant and equipment	64	92
Consideration/deposit received on disposal of assets classified as held for sale	21,250	20,000
Acquisition of and additional costs on properties for development	(45,003)	(12,405)
Increase in note receivable	-	(15,510)
Increase in bank deposits	(327,607)	-
Pledged bank deposits refunded	59,295	-
Increase in other receivable	(7,213)	(6,574)
Decrease in loans receivable	1,367	3,415
Interest received	9,605	8,718
<b>Net cash used in investing activities</b>	(289,165)	(4,431)
<b>Financing activities</b>		
Draw down of bank loans	467,265	1,100,000
Repayments of bank loans	(100,955)	(1,619,960)
Payment of front end fee	(2,100)	-
Advances from non-controlling shareholders	195	7,161
Advances to non-controlling shareholders	(929)	(2,815)
<b>Net cash from (used in) financing activities</b>	363,476	(515,614)
<b>Net increase (decrease) in cash and cash equivalents</b>	193,025	(524,252)
<b>Cash and cash equivalents at beginning of period</b>	1,330,574	2,007,938
Effect of foreign exchange rate changes	9,442	(653)
<b>Cash and cash equivalents at end of period</b>	1,533,041	1,483,033
Represented by:		
Bank balance and cash	1,854,423	1,483,033
Less: Fixed deposits with original maturity date more than 3 months	(321,382)	-
	1,533,041	1,483,033

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2013

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1. GENERAL

The Company is a public limited company incorporated in the British Virgin Islands with limited liability and its shares are admitted for trading on the AIM Market of London Stock Exchange plc.

The Company acts as an investment holding company. The principal subsidiaries of the Company are engaged in property investment, property development and hotel operation.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (the “IASB”).

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment 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 June 2013 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2012.

In the current interim period, the Group has applied, for the first time, the following new or revised International Financial Reporting Standards (“IFRSs”) issued by the IASB and the IFRS Interpretations Committee of IASB that are relevant for the preparation of the Group’s condensed consolidated financial statements.

Amendments to IFRSs	Annual Improvements to IFRSs 2009 - 2011 Cycle
Amendments to IFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to IFRS 10, IFRS 11 and IFRS12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
IAS 19 (as revised in 2011)	Employee Benefits
IAS 27 (as revised in 2011)	Separate Financial Statements
IAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
Amendments to IAS 1	Presentation of Items of Other Comprehensive Income
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine



### 3. PRINCIPAL ACCOUNTING POLICIES - continued

The application of the above new or revised IFRSs 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 except as described below.

#### **IFRS 11 *Joint Arrangements***

IFRS 11 replaces IAS 31 *Interests in Joint Ventures*, and the guidance contained in a related interpretation, SIC 13 *Jointly Controlled Entities - Non-Monetary Contributions by Venturers*, has been incorporated in IAS 28 (as revised in 2011). Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of parties to the joint arrangements. In contrast, under IAS 31, there are three types of joint arrangements - jointly controlled entities, jointly controlled operations and jointly controlled assets. The classification of joint arrangements under IAS 31 was primarily determined based on the legal form of the arrangement (e.g. a joint arrangement that was established through a separate entity was classified as a jointly controlled entity).

In addition, joint ventures under IFRS 11 are required to account for using the equity method, whereas jointly controlled entities under IAS 31 can be accounted for using equity method of accounting or proportionate consolidation.

The directors of the Company reviewed and assessed the classification of the Group's investments in joint arrangements in accordance with the requirements of IFRS 11. The directors concluded that the Group's joint venture arrangements, which were classified as jointly controlled entities under IAS 31 and were accounted for using the equity method, should be classified as joint ventures under IFRS 11 and continue to be accounted for using the equity method up to the date of the joint arrangements are classified as assets held for sale.

#### **Amendments to IAS 1 *Presentation of Items of Other Comprehensive Income***

The amendments to IAS 1 introduce new terminology for statement of comprehensive income and income statement. Under the amendments to IAS 1, a statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and an income statement is renamed as a statement of profit or loss. The amendments to IAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to IAS 1 require additional disclosures to be made in the other comprehensive section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis - the amendments do not change the existing option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively and hence the presentation of items of other comprehensive income has been modified to reflect the changes.

3. PRINCIPAL ACCOUNTING POLICIES - continued

**Amendments to IAS 34 *Interim Financial Reporting***  
*(as part of the Annual Improvements to IFRSs 2009 - 2011 Cycle)*

The Group has applied the amendments to IAS 34 *Interim Financial Reporting* as part of the *Annual Improvements to IFRSs 2009 - 2011 Cycle* for the first time in the current interim period. The amendments to IAS 34 clarify that the total assets and total liabilities for a particular reportable segment would be separately disclosed in the interim financial statements only when the amounts are regularly provided to the chief operating decision makers (the “CODM”) and there has been a material change from the amounts disclosed in the last annual financial statements for that reportable segment.

Since the CODM do not review assets and liabilities of the Group’s reportable segments for performance assessment and resource allocation purposes, the Group has not included total asset information as part of segment information.

4. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the CODM, for the purposes of resource allocation and assessment of segment performance is mainly focused on the property development, property investment and hotel operation.

Property investment and development activities are in Hong Kong and the People’s Republic of China (the “PRC”) whereas the hotel operation is in Hong Kong.

The following is an analysis of the Group’s revenue and results by reportable segment:

**Six months ended 30 June 2013**

	<b>Property development</b> <i>HK\$'000</i>	<b>Property investment</b> <i>HK\$'000</i>	<b>Hotel operation</b> <i>HK\$'000</i>	<b>Eliminations</b> <i>HK\$'000</i>	<b>Consolidated</b> <i>HK\$'000</i>
<b>SEGMENT REVENUE</b>					
External sales	177,000	185,984	122,714	-	485,698
Inter-segment sales	-	290	-	(290)	-
	-----	-----	-----	-----	-----
Total	177,000	186,274	122,714	(290)	485,698
	=====	=====	=====	=====	=====
<b>SEGMENT RESULTS</b>					
Segment profit	58,301	273,640	18,878		350,819
	=====	=====	=====		
Interest income					8,772
Corporate expenses					(717)
Finance costs					(38,349)
					-----
Profit before taxation					320,525
					=====

4. SEGMENT INFORMATION - continued

Six months ended 30 June 2012

	Property development <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Hotel operation <i>HK\$'000</i>	Eliminations <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
<b>SEGMENT REVENUE</b>					
External sales	21,998	151,021	118,849	-	291,868
Inter-segment sales	-	309	-	(309)	-
	-----	-----	-----	-----	-----
Total	21,998	151,330	118,849	(309)	291,868
	=====	=====	=====	=====	=====
<b>SEGMENT RESULTS</b>					
Segment (loss) profit	(20,477)	458,380	15,131		453,034
	=====	=====	=====		
Interest income					9,794
Corporate expenses					(2,948)
Share of results of joint ventures					(2,667)
Finance costs					(41,763)
					-----
Profit before taxation					415,450
					=====

Inter-segment sales are at mutually agreed terms.

The accounting policies adopted in preparing the reportable segment information are the same as the Group's accounting policies.

The Group does not allocate interest income, corporate expenses, share of results of joint ventures and finance costs to individual reportable segment profit or loss for the purposes of resource allocation and performance assessment by the CODM.

No segment assets and liabilities are presented as the information is not reportable to the CODM in the resource allocation and assessment of performance.

5. PROPERTY AND RELATED COSTS

	<b>Six months ended 30 June</b>	
	<b>2013</b>	<b>2012</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
Changes in properties held for sale	<b>83,078</b>	9,600
Reversal of provision on relocation compensation	-	(5,095)
Selling and marketing expenses	<b>3,405</b>	1,258
Direct operating expenses on investment properties	<b>23,881</b>	18,543
	-----	-----
	<b>110,364</b>	24,306
	=====	=====

6. OTHER EXPENSES

	<b>Six months ended 30 June</b>	
	<b>2013</b>	2012
	<b>HK\$'000</b>	<i>HK\$'000</i>
Included in other expenses are:		
Management fees paid to a fellow subsidiary	<b>73,244</b>	76,129
Hotel operating expenses	<b>29,589</b>	30,210
Legal and professional fees	<b>3,994</b>	2,456
	=====	=====

7. FINANCE COSTS

	<b>Six months ended 30 June</b>	
	<b>2013</b>	2012
	<b>HK\$'000</b>	<i>HK\$'000</i>
Interest on:		
Bank borrowings wholly repayable within 5 years	<b>18,401</b>	20,496
Bank borrowings not wholly repayable within 5 years	<b>19,350</b>	19,070
	-----	-----
	<b>37,751</b>	39,566
Less: Amount capitalised to property development project	<b>(2,085)</b>	-
	-----	-----
	<b>35,666</b>	39,566
Front end fee	<b>1,912</b>	1,732
Other charges	<b>771</b>	465
	-----	-----
	<b>38,349</b>	41,763
	=====	=====

8. PROFIT BEFORE TAXATION

	<b>Six months ended 30 June</b>	
	<b>2013</b>	2012
	<b>HK\$'000</b>	HK\$'000
Profit before taxation has been arrived at after charging:		
Net exchange loss	-	2,203
and crediting:		
Interest earned on bank deposits	<b>8,105</b>	8,921
Interest income from second mortgage loans	<b>211</b>	440
Other interest income	<b>456</b>	-
Imputed interest income on loans to joint ventures	-	433
Net exchange gain	<b>3,879</b>	-
	<b>=====</b>	<b>=====</b>

9. INCOME TAX EXPENSE

	<b>Six months ended 30 June</b>	
	<b>2013</b>	2012
	<b>HK\$'000</b>	HK\$'000
Current tax		
Hong Kong Profits Tax	<b>29,995</b>	12,909
PRC Enterprise Income Tax	<b>4,253</b>	3,782
	<b>-----</b>	<b>-----</b>
	<b>34,248</b>	16,691
	<b>-----</b>	<b>-----</b>
Deferred tax	<b>10,117</b>	33,264
	<b>-----</b>	<b>-----</b>
	<b>44,365</b>	49,955
	<b>=====</b>	<b>=====</b>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for each of the periods.

PRC Enterprise Income Tax is calculated at 25% of the estimated assessable profits for each of the periods.

## 10. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the Company's shareholders is based on the following data:

	<b>Six months ended 30 June</b>	
	<b>2013</b>	2012
	<b>HK\$'000</b>	<i>HK\$'000</i>
Earnings for the purpose of basic earnings per share	<b>277,309</b>	367,364
	=====	=====
	<b>2013</b>	2012
Number of ordinary shares for the purpose of basic earnings per share	<b>886,347,812</b>	886,347,812
	=====	=====

No diluted earnings per share is presented as the Company did not have any potential ordinary shares in issue during both periods or at the end of each reporting period.

For the purpose of assessing the performance of the Group, the directors are of the view that the profit for the period should be adjusted for the fair value changes on properties recognised in profit or loss and the related deferred taxation in arriving at the "adjusted profit attributable to the Company's shareholders". A reconciliation of the adjusted earnings is as follows:

	<b>Six months ended 30 June</b>	
	<b>2013</b>	2012
	<b>HK\$'000</b>	<i>HK\$'000</i>
Profit attributable to the Company's shareholders as shown in the condensed consolidated statement of profit or loss	<b>277,309</b>	367,364
Fair value changes on investment properties	<b>(162,700)</b>	(392,290)
Deferred tax thereon	<b>10,675</b>	33,072
	-----	-----
Adjusted profit attributable to the Company's shareholders	<b>125,284</b>	8,146
	=====	=====
Basic earnings per share excluding fair value changes on properties net of deferred tax	<b>HK14.1 cents</b>	HK0.9 cents
	=====	=====

The denominators used in the calculation of adjusted earnings per share are the same as those detailed above.

## 11. DIVIDENDS

No dividends were paid, declared or proposed during the reported period. The directors do not recommend the payment of any interim dividend.

## 12. INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

The fair values of investment properties at the end of the reporting periods were arrived at on the basis of valuations carried out at those dates by Savills Valuation and Professional Services Limited (“Savills”), a firm of Chartered Surveyors not connected to the Group. Savills, recognised by The Hong Kong Institute of Surveyors, has appropriate qualifications and recent experience in the valuation of properties in the relevant locations.

The valuations were arrived by reference to market evidence of transaction prices or by capitalisation of future rental which is estimated by reference to comparable rental as available in the relevant markets. In the valuation, the market rentals of all lettable units as well as those of similar properties are made reference to the rentals achieved by the Group in the lettable units as well as those of similar properties in the neighbourhood. The capitalisation rate adopted is by reference to the yield rates observed by the valuer for similar properties in the locality and adjusted for the valuer’s knowledge of factors specific to the respective properties.

The resulting increase in the fair value of investment properties of HK\$162,700,000 (1.1.2012 - 30.6.2012: HK\$392,290,000) has been recognised directly in the condensed consolidated statement of profit or loss.

During the current interim period, the Group acquired property, plant and equipment of HK\$923,000 (1.1.2012 - 30.6.2012: HK\$2,167,000).

## 13. PROPERTIES FOR DEVELOPMENT

The carrying amount represents the Group’s interest in certain pieces of land located in the PRC to be held for future development.

The carrying amount is amortised on a straight-line basis over the lease terms ranging from 40 to 70 years.

## 14. OTHER RECEIVABLE

At 30 June 2013, the Group had incurred a total amount of RMB321,052,000 (31.12.2012: RMB321,052,000) equivalent to HK\$403,049,000 (31.12.2012: HK\$395,954,000) for the tenant relocation arrangements, excavation and infrastructure work on certain pieces of land in Nanjing, the PRC. The amount, together with further costs to complete the work, are wholly refundable from the relevant PRC local government either by deduction against the consideration payable if the Group is successful in bidding for the land or out of the proceeds received by the relevant PRC local government from the other successful tenderer. The directors estimated that, based on the Group’s development plan, the time schedule for auction of the relevant lands will be initiated before the end of 2016 and by then the full amount will be recovered.

The balance of HK\$372,355,000 (31.12.2012: HK\$365,800,000) represents the Hong Kong dollar equivalent of the present value of the original amount of RMB321,052,000 expected to be recovered in 2016 discounted at the rate of 2% per annum.

15. TRADE RECEIVABLES, DEPOSITS AND PREPAYMENTS

	<b>30.6.2013</b>	31.12.2012
	<b>HK\$'000</b>	HK\$'000
Trade receivables	<b>10,063</b>	11,638
Accrued income, deposits and prepayments	<b>110,284</b>	100,742
	-----	-----
	<b>120,347</b>	112,380
	=====	=====

Trade receivables mainly represent rental receivable from tenants for the use of the Group's properties and receivables from corporate customers and travel agents for the use of hotel facilities. No credit is allowed to tenants. Rentals are payable upon presentation of demand notes. An average credit period of 30 days is allowed to corporate customers and travel agents.

16. AMOUNTS DUE FROM/TO NON-CONTROLLING SHAREHOLDERS

The balances are unsecured, interest-free and repayable on demand.

17. ASSETS CLASSIFIED AS HELD FOR SALE

	<b>30.6.2013</b>	31.12.2012
	<b>HK\$'000</b>	HK\$'000
Cost of unlisted investment in joint ventures	-	3,994
Share of post-acquisition reserves	-	(5,929)
	-----	-----
	-	(1,935)
Loans to joint ventures	-	44,025
	-----	-----
	-	42,090
	=====	=====

On 7 March 2012, the Group entered into an agreement to dispose of its entire equity interest, together with the assignment of the loans to the joint ventures, to the joint venture partner for a total cash consideration of HK\$61,250,000. The disposal was completed in May 2013.



18. PAYABLES, DEPOSITS AND ACCRUED CHARGES

	<b>30.6.2013</b>	31.12.2012
	<b>HK\$'000</b>	<b>HK\$'000</b>
Trade payables	<b>1,724</b>	2,720
Rental deposits	<b>106,281</b>	93,539
Rental received in advance	<b>10,839</b>	8,590
Other payables, other deposits and accrued charges	<b>123,902</b>	190,678
	-----	-----
	<b>242,746</b>	295,527
	=====	=====

Included in other payables is an aggregate amount of HK\$83,458,000 (31.12.2012: HK\$85,761,000) payable to contractors for the cost in relation to the tenant relocation arrangements, excavation and infrastructure work on certain pieces of land as detailed in note 14. Included in other deposits at 31 December 2012 is an amount of HK\$40,000,000 received on disposal of the interests in joint ventures as detailed in note 17.

Rental deposits to be settled after twelve months from the end of the reporting period based on the respective lease terms amounted to HK\$69,212,000 at 30 June 2013 (31.12.2012: HK\$61,667,000).

19. BANK BORROWINGS

During the current interim period, the Group repaid bank loans amounting to HK\$100,955,000 (1.1.2012 - 30.6.2012: HK\$1,619,960,000) and drew bank loans which carry interest at variable rates amounting to HK\$467,265,000 (1.1.2012 - 30.6.2012: HK\$1,100,000,000).

20. SHARE CAPITAL

	<b>30.6.2013</b>	31.12.2012
	<b>US\$'000</b>	<b>US\$'000</b>
Authorised:		
1,300,000,000 ordinary shares of US\$0.05 each	<b>65,000</b>	65,000
	=====	=====
	<b>US\$'000</b>	<b>US\$'000</b>
Issued and fully paid:		
886,347,812 ordinary shares of US\$0.05 each	<b>44,317</b>	44,317
	=====	=====
	<b>HK\$'000</b>	<b>HK\$'000</b>
Shown in the condensed consolidated financial statements as	<b>345,204</b>	345,204
	=====	=====

## 21. DEFERRED TAXATION

The balance at the end of reporting period mainly represents deferred tax liabilities recognised on the fair value changes of the investment properties located in the PRC amounting to HK\$280,342,000 (31.12.2012: HK\$265,283,000).

## 22. PLEDGE OF ASSETS

At the end of the reporting period, the Group had pledged the following assets to secure banking facilities granted to the Group:

- (a) Fixed charges on investment properties with an aggregate carrying value of HK\$9,346,877,000 (31.12.2012: HK\$9,162,807,000) together with a floating charge over all the assets of the property owning subsidiaries and benefits accrued to the relevant properties.
- (b) Fixed charges on hotel properties with an aggregate carrying value of HK\$988,330,000 (31.12.2012: HK\$1,002,086,000) together with a floating charge over all the assets of the property owning subsidiaries and benefits accrued to the relevant properties.
- (c) Fixed charges on properties under development held for sale with an aggregate carrying value of HK\$826,494,000 (31.12.2012: HK\$707,889,000).
- (d) Note receivable of HK\$15,510,000 (31.12.2012: Nil).
- (e) Bank deposits amounting to HK\$58,750,000 at 31 December 2012.

## 23. RELATED PARTY BALANCES AND TRANSACTIONS

- (a) The Group had the following transactions with fellow subsidiaries, which are wholly-owned subsidiaries of SEA, during the period:
  - (i) Rental income of HK\$7,163,000 (1.1.2012 - 30.6.2012: HK\$5,555,000) from the renting of the Group's premises; and
  - (ii) Management fees of HK\$73,244,000 (1.1.2012 - 30.6.2012: HK\$76,129,000) in respect of the provision of property development and management services to the Group on the Group's property portfolio.
- (b) Details of loans to joint ventures are disclosed in note 17.
- (c) The remuneration of directors who are the Group's key management personnel during the period amounted to HK\$1,460,000 (1.1.2012 - 30.6.2012: HK\$1,362,000).