



鴻隆控股
HONG LONG
Holdings

鴻隆控股有限公司
Hong Long Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份編號: 1383

2011

Interim Report 中期報告



我們的願景 - 創造城市新生活

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. ZENG Yunshu
Mr. JIN Leo
Ms. YE Qingdong
Mr. LEE Chi Shing Caesar
Mr. CHAN Ting Lai
Ms. YEUNG So Mui
Ms. HUANG Ling

Non-executive Director

Mr. ZHANG Yijun
Mr. ZHANG Yiyan

Independent Non-Executive Directors

Dr. LI Jun
Mr. CHEUNG Ngai Lam
Mr. WANG Fosong

COMPANY SECRETARY

Mr. LEE Chi Shing Caesar

AUDITOR

RSM Nelson Wheeler

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
George Town
Grand Cayman KY1-1111
The Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN THE PRC

17th Floor, Block B, Hong Long Century Plaza
Heping Road
Luohu District
Shenzhen, Guangdong Province
The PRC

董事會

執行董事

曾雲樞先生
JIN Leo先生
葉慶東女士
李志成先生
陳鼎禮先生
楊素梅女士
黃玲女士

非執行董事

張宜均先生
張奕炎先生

獨立非執行董事

李 璿博士
張毅林先生
王佛松先生

公司秘書

李志成先生

核數師

中瑞岳華(香港)會計師事務所

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
George Town
Grand Cayman KY1-1111
The Cayman Islands

中國主要營業地點

中國
廣東省深圳
羅湖區
和平路
鴻隆世紀廣場B座17樓

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room A of 49th Floor and Area L of 50th Floor
Convention Plaza Office Tower
1 Harbour Road
Wanchai
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Butterfield Fund Services (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
George Town
Grand Cayman
The Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
26th Floor
Tesbury Centre
28 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

In Hong Kong:

The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited

In the PRC:

China Construction Bank
Industrial and Commercial Bank of China
China Bank of Communications
Agricultural Bank of China
Hua Xia Bank
Industrial Bank Co., Ltd.
Shanghai Pudong Development Bank

INVESTOR RELATIONS

For other information relating to the Company, please contact
Corporate Communications Department
website: www.hlkg.net
e-mail: ir@hlkg.net

香港主要營業地點

香港灣仔
港灣道1號
會議展覽廣場辦公大樓
49樓A室及50樓L區

開曼群島主要股份過戶登記處

Butterfield Fund Services (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
George Town
Grand Cayman
The Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東28號
金鐘匯中心26樓

主要往來銀行

在香港:

香港上海滙豐銀行有限公司
中國銀行(香港)有限公司

在中國:

中國建設銀行
中國工商銀行
中國交通銀行
中國農業銀行
華夏銀行
興業銀行
上海浦東發展銀行

投資者關係

有關本公司的其他資料
請聯絡企業傳訊部
網址: www.hlkg.net
電郵: ir@hlkg.net

Properties Portfolio Overview

物業組合概覽

PROPERTY DEVELOPMENT BUSINESS

Completed projects

Project name	Place	Site area (m ²)	GFA (m ²)					Total	Saleable area (m ²)	Commencement/ completion date	Interest attributable to the Group
			Residential	Shop	Office	Hotel	Others ⁽¹⁾				
Harbor City	Shenzhen	19,822	61,252	14,959	-	-	19,366	95,577	76,211	2002/Q2-2003/Q3	100%
Hong Long Plaza	Shenzhen	19,832	72,035	64,397	-	-	36,198	172,630	136,432	2005/Q1-2006/Q4	100%
Hong Long High Technology Industrial Park	Shenzhen	119,326	-	-	-	-	237,939	237,939	237,939	2005/Q2-2006/Q4	100%
Grace Garden	Meizhou	5,570	30,804	1,468	-	-	1,188	33,460	32,747	2007/Q4-2009/Q4	100%
Hong Long Century Plaza	Shenzhen	N/A	7,454	12,664	52,400	-	12,230	84,748	72,518	2008/Q2-2010/Q4	100%
			171,545	93,488	52,400	-	306,921	624,354	555,847		

Properties under development/to be developed

Project name	Place	Site area (m ²)	GFA (m ²)					Total	Saleable area (m ²)	Commencement/ completion date	Interest attributable to the Group
			Residential	Shop	Office	Hotel	Others ⁽¹⁾				
Zirui Garden	Shenzhen	43,538	90,015	8,002	-	-	36,732	134,749	98,017	2008/Q1-2012/Q4	100%
Ningjiang Uptown Phase 1 ⁽²⁾	Xingning	38,827	82,415	6,236	-	-	6,578	95,229	88,651	2007/Q3-2014/Q2	100%
Ningjiang Uptown Phase 2 ⁽²⁾	Xingning	186,908	531,138	11,529	-	-	-	542,667	542,667	2011/Q1-2016/Q2	100%
Tiexi New City	Shenyang	153,496	156,748	39,225	129,217	53,386	150	378,726	378,576	2010/Q2-2015/Q4	100%
Chaohu Vacation Watery Town	Chaohu	122,636	102,777	10,500	-	-	3,000	116,277	113,277	2010/Q2-2013/Q2	100%
		545,405	963,093	75,492	129,217	53,386	46,460	1,267,648	1,221,188		

Property leasing business

Project name	Place	100% owned by the Group	
		Leaseable area (m ²)	
Harbor City	Shenzhen	3,136	
Hong Long Plaza	Shenzhen	64,397	
Baorun Ornament Materials Mall	Shenzhen	7,653	
		75,186	

- (1) Includes club house and car parking spaces.
 (2) Properties proposed to dispose after the reporting period.

Properties Portfolio Overview

物業組合概覽

物業開發業務 已完成項目

項目名稱	地點	土地面積 (m ²)	建築面積 (m ²)					合計	可銷售面積 (m ²)	動工/ 竣工時間	本集團 所佔權益
			住宅	商舖	寫字樓	酒店	其他 ⁽¹⁾				
港灣麗都	深圳	19,822	61,252	14,959	-	-	19,366	95,577	76,211	2002/Q2-2003/Q3	100%
鴻隆廣場	深圳	19,832	72,035	64,397	-	-	36,198	172,630	136,432	2005/Q1-2006/Q4	100%
鴻隆高科技工業園	深圳	119,326	-	-	-	-	237,939	237,939	237,939	2005/Q2-2006/Q4	100%
溫馨花園	梅州	5,570	30,804	1,468	-	-	1,188	33,460	32,747	2007/Q4-2009/Q4	100%
鴻隆世紀廣場	深圳	不適用	7,454	12,664	52,400	-	12,230	84,748	72,518	2008/Q2-2010/Q4	100%
			171,545	93,488	52,400	-	306,921	624,354	555,847		

在開發/待開發物業

項目名稱	地點	土地面積 (m ²)	建築面積 (m ²)					合計	可銷售面積 (m ²)	動工/ 竣工時間	本集團 所佔權益
			住宅	商舖	寫字樓	酒店	其他 ⁽¹⁾				
紫瑞花園	深圳	43,538	90,015	8,002	-	-	36,732	134,749	98,017	2008/Q1-2012/Q4	100%
寧江新城1期 ⁽²⁾	興寧	38,827	82,415	6,236	-	-	6,578	95,229	88,651	2007/Q3-2014/Q2	100%
寧江新城2期 ⁽²⁾	興寧	186,908	531,138	11,529	-	-	-	542,667	542,667	2011/Q1-2016/Q2	100%
鎮西新城項目	瀋陽	153,496	156,748	39,225	129,217	53,386	150	378,726	378,576	2010/Q2-2015/Q4	100%
巢湖假日水鎮	巢湖	122,636	102,777	10,500	-	-	3,000	116,277	113,277	2010/Q2-2013/Q2	100%
		545,405	963,093	75,492	129,217	53,386	46,460	1,267,648	1,221,188		

物業租賃業務

項目名稱	地點	可出租面積 (m ²)	本集團佔
			100% 權益
港灣麗都	深圳	3,136	
鴻隆廣場	深圳	64,397	
寶潤裝飾材料城	深圳	7,653	
		75,186	

- (1) 含住客會所和停車位。
(2) 預算於報告期後出售。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL AND OPERATIONAL HIGHLIGHTS

- Revenue of the Group for the first half of 2011 was approximately RMB181.45 million, representing an increase of RMB68.08 million (or 60.06%) over the same period of 2010.
- Profit attributable to owners of the Company for the first half of 2011 was approximately RMB20.85 million, representing a decrease of RMB41.21 million (or 66.40%) over the same period of 2010.
- Basic earnings per share for the first half of 2011 was RMB1.69 cents, representing a decrease of RMB3.53 cents (or 67.62%) over the same period of 2010.
- Net assets increased from approximately RMB1.78 billion as at 31 December 2010 to approximately RMB1.80 billion as at 30 June 2011.
- Net debt-to-equity ratio was improved from 125.31% as at 31 December 2010 to 94.92% as at 30 June 2011.

FINANCIAL REVIEW

Turnover: Turnover comprises of sales proceeds of properties delivered and property leasing income. In the first half of 2011, we have delivered office units of 4,569m² gross floor area (“GFA”) and residential units of 969m² GFA for Hong Long Century Plaza and residential units of 823m² GFA for Grace Garden, while we have delivered residential units of about 26,777m² GFA for in the first half of 2010. The selling price of office units is much higher than that of residential units, resulting in the increase in turnover.

Selling and distribution expenses: The decrease in the first half 2011 was mainly due to the advertising and promotion cost reduced after the Hong Long Century Plaza has been delivered.

General and administrative expenses: The increase was mainly due to the increase in rental expense.

Other operating expenses: The increase was mainly due to the advisory for Group re-organisation of approximately RMB9,500,000 and no such expense in correspondence period of last year.

財務及營運摘要

- 2011年上半年本集團的收入約人民幣181.45百萬元，較2010年同期增加人民幣68.08百萬元（即60.06%）。
- 2011年上半年本公司擁有人應佔溢利約人民幣20.85百萬元，較2010年同期減少人民幣41.21百萬元（即66.40%）。
- 2011年上半年每股基本盈利為人民幣1.69分，較2010年同期減少人民幣3.53分（即67.62%）。
- 資產淨值由2010年12月31日的約人民幣17.8億元增加至2011年6月30日的約人民幣18.0億元。
- 淨債務對權益比率由2010年12月31日的125.31%改善至2011年6月30日的94.92%。

財務回顧

營業額：營業額包括交付物業的銷售所得款及物業租賃收入。我們於2011年上半年交付了鴻隆世紀廣場4,569m²建築面積（「建築面積」）的寫字樓單位及969m²建築面積的住宅單位，以及溫馨花園823m²建築面積的住宅單位，而於2010年上半年我們則交付了約26,777m²建築面積的住宅單位。寫字樓單位的售價遠高於住宅單位，營業額因此增加。

銷售及分銷費用：於2011年上半年減少主要由於交付鴻隆世紀廣場後廣告及市場推廣費用減少所致。

一般及行政費用：增加主要由於租金支出增加所致。

其他營運費用：增加主要由於為本集團重組顧問服務而支付約人民幣9,500,000元，去年同期並無該費用。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (CONTINUED)

Net change in fair value of derivative financial instruments: In September 2007, the Company issued Senior Note with warrants. The change in fair value, as assessed by independent valuer has been recorded in the consolidated statement of comprehensive income. It is a non-cash item.

Finance costs: After the completion of Hong Long Century Plaza, the interest is not qualified to capitalise, resulting in the increase.

Gain on derecognition of available-for-sale financial assets: An available-for-sale financial asset has been decognised in the first half 2011 with a gain. However, no such item in the correspondence period of last year.

Gain on disposal of subsidiaries: During the first half 2011, the Group disposed various subsidiaries as a result of Group re-organisation. However, no such item in the correspondence period of last year.

Income tax: The decrease was mainly due to the effect on the deferred tax for the net increase in fair value of investment properties and investment properties under development in the correspondence period last year out weight the effect on the land appreciation tax for the sales of Hong Long Century Plaza and the corporated income tax for the gain on disposal of subsidiaries in the first half 2011.

Segment analysis: While principally engaged in the development of middle to high range residential and commercial properties in the PRC, the Group expect stronger recurrent cash flow from commercial properties leasing in the future. In the first half of 2011, property development income and property leasing income accounted for approximately 81.5% and 18.5% of the turnover respectively.

財務回顧(續)

衍生金融工具的公允值變動淨額: 於2007年9月, 本公司發行附有認股權證的優先票據。該部分的公允值變動(由獨立估值師評估)已記錄於綜合全面收益表, 其為非現金項目。

融資成本: 增加是由於鴻隆世紀廣場落成後再不能把利息資本化。

終止確認可供出售金融資產收益: 2011年上半年終止確認一項可供出售金融資產而錄得收益。然而, 去年同期並無相關項目。

出售附屬公司收益: 2011年上半年, 由於本集團重組, 本集團出售若干附屬公司。然而, 去年同期並無相關項目。

所得稅: 減少主要由於去年同期投資物業及發展中投資物業的公允值增加淨額的遞延稅項影響高於2011年上半年銷售鴻隆世紀廣場產生土地增值稅及出售附屬公司收益的企業所得稅的影響。

分部分析: 本集團主要於中國從事中高檔住宅及商業物業開發, 同時預期今後可從商業物業租賃業務產生較強大的經常性現金流量。於2011年上半年, 物業開發收入及物業租賃收入分別約佔營業額81.5%及18.5%。

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY, FINANCIAL RESOURCES AND GEARING

Cash at bank and in hand and pledged deposits as at 30 June 2011 amounted to approximately RMB109.58 million (31 December 2010: RMB102.22 million), which included 108.64 million, 0.21 million and 0.6 million denominated in RMB, US\$ and HK\$ respectively.

The Group had total interest-bearing borrowings of approximately RMB1,440.91 million as at 30 June 2011 (31 December 2010: RMB1,935.43 million), approximately RMB738.61 million was repayable within one year, RMB310.20 million was repayable more than one year but less than two years; RMB105.50 million was repayable more than two years but less than five years inclusive and RMB286.60 million was repayable over five years. Except for borrowings with principal amount of US\$12.00 million and RMB80.00 million respectively, all of the Group's borrowings carried interest at floating rates. The Group's total bank and other borrowings divided by total assets as at 30 June 2011 was 33.06% (31 December 2010: 41.17%).

As at 30 June 2011, the Group had total current assets of approximately RMB2,722.68 million (31 December 2010: RMB2,811.98 million) and total current liabilities of approximately RMB1,568.27 million (31 December 2010: RMB1,523.93 million).

CHARGE ON ASSETS

As at 30 June 2011, bank and other borrowings of approximately RMB1,043.25 million were secured by certain investment properties and properties for future development and under development for sales of approximately RMB1,614.10 million and RMB677.58 million respectively.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group's monetary assets, loans and transactions are principally denominated in RMB. Except for a borrowing of US\$12.00 million, all of the Group's borrowings are denominated in RMB. The Group did not engage in any derivative activities and did not commit to any financial instruments to hedge its balance sheet exposure as at 30 June 2011.

流動資金、財務資源及負債比率

於2011年6月30日，銀行及手頭現金及抵押存款約人民幣109.58百萬元(2010年12月31日：人民幣102.22百萬元)，包括人民幣108.64百萬元、0.21百萬美元及港幣0.6百萬元。

於2011年6月30日，本集團的計息借貸總額約人民幣1,440.91百萬元(2010年12月31日：人民幣1,935.43百萬元)，須於一年內償還的借貸總額約人民幣738.61百萬元；多於一年，但少於兩年償還約人民幣310.20百萬元；多於兩年，但少於五年償還(首尾兩年包括在內)約人民幣105.50百萬元，多於五年償還約人民幣286.60百萬元。除本金分別為12.00百萬美元及人民幣80.00百萬元的借貸外，本集團全部借貸均以浮動息率計息。而本集團於2011年6月30日的銀行及其他借貸總額除以總資產為33.06%(2010年12月31日：41.17%)。

於2011年6月30日，本集團有總流動資產約人民幣2,722.68百萬元(2010年12月31日：人民幣2,811.98百萬元)及總流動負債約人民幣1,568.27百萬元(2010年12月31日：人民幣1,523.93百萬元)。

對資產的抵押

於2011年6月30日，銀行及其他借款約人民幣1,043.25百萬元分別由本集團約值人民幣1,614.10百萬元及人民幣677.58百萬元的若干投資物業及有待開發及開發中的銷售物業作抵押。

匯率波動風險及有關對沖

本集團的貨幣資產、貸款和交易主要以人民幣計值。除12.00百萬美元之借貸外，本集團借貸全部以人民幣計值。於2011年6月30日，本集團並沒有參與任何衍生工具活動及並無對任何金融工具作出承擔以對沖資產負債表的風險。

Management Discussion and Analysis

管理層討論及分析

CONTINGENT LIABILITIES

For the details of contingent liabilities, please refer to the note 22.

TREASURY POLICIES AND CAPITAL STRUCTURE

The Group adopts a prudent approach with respect to treasury and funding policies, with a focus on risk management and transactions that are directly related to the underlying business of the Group.

EMPLOYEES

As at 30 June 2011, the Group had a staff force of approximately 250 employees. Of this, most were stationed in the PRC. The remuneration of employees was in line with the market trend and commensurable to the level of pay in the industry. Remuneration of the Group's employees includes basic salaries, bonuses and long-term incentives (such as Share Option Scheme). Total staff costs incurred for the first half of 2011 was approximately RMB14.01 million (2010: RMB14.19 million).

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2011 (2010: HK\$0.15 per share).

BUSINESS REVIEW

The Group is principally engaged in the development of middle to high end residential and commercial properties as well as leasing of commercial properties in the Guangdong, Anhui and Liaoning Provinces, the PRC.

The Group has its business presence in Guangdong, including Shenzhen, and Xingning. Since 2007, the Group has expanded beyond Guangdong. In 2010, the Group extended its presence in Shenyang of Liaoning Province and Chaohu of Anhui Province. The expansion signifies the Group's confidence in second tier cities in the PRC where there is strong demand for better living environment.

For investment properties portfolio, the Group's leasable GFA is approximately 90,000m². The Group will continue to pursue increase in investment properties portfolio and expect stronger cash inflows from property leasing segment.

Summary of development and status of existing projects are reported in the following paragraphs.

或然負債

有關或然負債之詳情，謹請參考附註22。

財資政策及資本結構

本集團就其財資和融資政策採取審慎策略，並專注於風險管理及與本集團之相關業務有直接關係之交易。

僱員

於2011年6月30日，本集團擁有約250名員工，其中絕大部份在中國工作。僱員的薪酬與市場趨勢一致，可與業內的薪酬水平相比。本集團僱員的薪酬包括基本薪金、花紅及長期獎勵（如認股權計劃）。2011年上半年所產生的員工成本總額約為人民幣14.01百萬元（2010年：人民幣14.19百萬元）。

中期股息

董事會不建議派付截至2011年6月30日止六個月之中期股息（2010年：每股0.15港元）。

業務回顧

本集團主要在中國廣東省、安徽省及遼寧省從事中高檔住宅及商業物業的開發和商業物業的租賃業務。

本集團於廣東的業務版圖包括深圳及興寧。自2007年起，本集團擴展至廣東以外。於2010年，本集團將其業務擴至遼寧省瀋陽市及安徽省巢湖市。該擴展象徵著本集團確立信心發展對優質生活環境有旺盛需求的二線城市。

在投資物業組合方面，本集團可供租賃之建築面積為約90,000m²。本集團繼續尋求增加物業投資組合，預期自物業租賃分部獲得更多現金流入。

現有項目之發展及狀況於下文概述。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (CONTINUED)

Projects under development

Hong Long Century Plaza: The project comprises of offices and residential units of approximately 85,000m² GFA located at the prime location in Luohu district, Shenzhen. In April 2010, the Group launched pre-sales of the office units and was well received by the market. The Group has sold of approximately 47,500m² GFA.

Ningjiang Uptown: Phase 1 of the project which comprises of 9 residential blocks and retail shops with a total GFA of approximately 95,000m², and approximately 39,000m² was sold out since pre-sales started in October 2008. The Group commenced the construction of phase 2 in 2010.

Zirui Garden: Zirui Garden in Buji County, Shenzhen consists of premier villa, residential units and retail shops with planned GFA of approximately 135,000m². The project is under construction with pre-sale and delivery in phases scheduled for 2011 onwards.

Shenyang Project: In January 2010, the Group entered into a cooperative framework agreement with the Management Committee of Shenyang Economic and Technological Development Zone of Liaoning Province ("Management Committee"), PRC for the construction of Shenyang Tiexi Industrial New City. Subject to further discussion with the Management Committee, the Group will jointly develop (1) Binshui Liwan Project (濱水麗灣項目), which will be developed into a high-end residential and commercial integrated community, including golf course, commercial ancillary facilities, international medical institution, international educational institution (kindergarten, primary school and middle school) and landscape belt, of which 75 mu will be used for commercial and public services facilities and 800 mu for residential developments, with total investment of approximately RMB4 billion; (2) Core Area Project of the Management Committee, including international exhibition centre, five-star hotel, headquarters economy building of which the services building of Shenyang Economic and Technological Development Zone will be located, and adjacent residential developments, with total investment of approximately RMB1 billion; and (3) two parties will jointly establish Tiexi Industrial New City Investment Company (鐵西產業新城投資公司), in which the Group shall hold a 40% equity interest. In April 2010, we have completed the tendering procedures for purchasing the land lot number 4 with planned GFA of approximately 196,000m².

Chaohu Vacation Watery Town: In November 2010, the Group entered into an agreement for the purchase of 100% equity in a project company holding land sites of approximately 122,000m² and planned GFA of approximately 116,000m² in Zhongmiao town, Chaohu City, Anhui Province. The Group planned to commence pre-sale of the residential project in phases from 2011 onwards.

業務回顧(續)

發展中項目

鴻隆世紀廣場: 該項目包括建築面積約85,000m²的寫字樓及住宅單位，位於深圳羅湖區黃金地段。本集團於2010年4月已開始預售寫字樓單位，市場反應甚好。本集團已售出約47,500m²的建築面積。

寧江新城: 該項目第1期包括9幢住宅大廈及零售商店，總建築面積約95,000m²，於2008年10月開始預售，已售出約39,000m²。本集團於2010年開始興建第2期。

紫瑞花園: 深圳布吉鎮紫瑞花園由高級別墅、住宅單位及零售商店組成，規劃建築面積約135,000m²。此項目現正在開發中，並計劃於2011年起分階段預售及交付。

瀋陽項目: 於2010年1月，本集團與中國遼寧省瀋陽經濟技術開發區管委會(「管委會」)簽署了一項合作框架協議，以進行瀋陽鐵西產業新城的建設項目。待與管委會進一步商討後，本集團將共同開發(1)濱水麗灣項目：發展高檔的住宅和商業綜合小區，設施包括高爾夫球場、商業配套區、國際醫療機構、國際教育機構(幼兒園、小學和中學)和公園景觀帶，其中商業和公共服務設施項目佔地75畝，住宅發展項目用地800畝，總投資約人民幣40億元；(2)管委會核心建設項目：包括國際會展中心、五星級酒店、總部經濟大樓(包括瀋陽經濟技術開發區服務大廈)和周邊住宅項目，總投資約人民幣10億元；及(3)雙方合作組建鐵西產業新城投資公司，其中本集團應佔40%股本權益。於2010年4月，本集團已完成收購規劃建築面積為196,000m² 4號地段的招標程序。

巢湖假日水鎮: 於2010年11月，本集團訂立一項協議，以收購持有佔地面積約122,000m²及規劃建築面積約116,000m²的項目公司100%股權。該發展地塊位於中國安徽省巢湖市中廟鎮。本集團計劃2011年起開始分期預售住宅項目。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (CONTINUED)

Disposal of projects/assets

The Group disposed of certain projects and assets in the first half of 2011. We considered these are good opportunities for us to realise these investments at reasonable prices and profit. In addition, we will no longer be required to provide further resources for these investments, so that the Group may relocate its resources to other investments which may generate higher returns for the Group.

The Group has disposed of the following projects/assets in the first half of 2011.

- 1) a wholly owned subsidiary which shall develop urban regeneration projects at Guangchang North Street, Yuanling District and two other sites in Shenzhen at a consideration of RMB20,800,000.
- 2) a wholly owned subsidiary which shall develop Yinghua project at a consideration of RMB28,000,000.
- 3) a 90% owned subsidiary which shall develop Dongguan Qiaotou project at a consideration of RMB4,000,000.
- 4) a wholly owned subsidiary which is developing Zhangjiakou Xiang Jiang City project at a consideration of HK\$80,000,000.
- 5) a wholly owned subsidiary which is developing Meizhou Grace Garden project at a consideration of RMB8,000,000.
- 6) a wholly owned subsidiary which shall develop Huaxing Plaza project at a consideration of RMB6,000,000.
- 7) a wholly owned subsidiary which previously own a project, Jade Hill City, at a consideration of RMB19,000,000.
- 8) the land to be developed for Bauhinia Garden project at a consideration of RMB4,550,000.
- 9) an office unit of approximately 800m² at Shenzhen at a consideration of approximately RMB3,734,000.

業務回顧(續)

出售項目／資產

本集團已於2011年上半年出售若干項目及資產。我們認為，這是我們以合理價格及利潤變現該等投資之良機。此外，我們將不再需要向該等投資提供進一步資源，因此本集團可將其資源配置於可為本集團帶來更高回報之其他投資。

本集團於2011年上半年已出售下列項目／資產。

- 1) 一間將開發園嶺區廣場北街城市更新項目及深圳兩處其他地盤之全資附屬公司，代價為人民幣20,800,000元。
- 2) 一間將開發英華項目之全資附屬公司，代價為人民幣28,000,000元。
- 3) 一間將開發東莞橋頭項目之90%附屬公司，代價為人民幣4,000,000元。
- 4) 一間正在開發張家口香江名城項目之全資附屬公司，代價為80,000,000港元。
- 5) 一間正在開發梅州溫馨花園項目之全資附屬公司，代價為人民幣8,000,000元。
- 6) 一間將開發華興廣場項目之全資附屬公司，代價為人民幣6,000,000元。
- 7) 一間之前擁有翡翠山城項目之全資附屬公司，代價為人民幣19,000,000元。
- 8) 擬開發為紫荊花園項目之土地，代價為人民幣4,550,000元。
- 9) 一個位於深圳之約800m²寫字樓單位，代價為約人民幣3,734,000元。

Management Discussion and Analysis

管理層討論及分析

REVIEW AND OUTLOOK

The Group integrated its business portfolio during the first half of year 2011. We have disposed various capital intensive projects on hand such as Yinghua project, Dongguan Qiaotou project and Zhangjiakou Xiang Jiang City project and other urban renovation projects. In August 2011, the Company has entered into an agreement to dispose Xingning Ningiang Uptown project. Those projects all require a high capital outlay. The disposals will bring an immediate positive cash flow which will further improve the working capital position and allow the Group to be better equipped to capture the potential investment opportunities when arise.

As the starting year of the 12th Five-Year Plan, the China's economy stayed on a fast, healthy and steady growth track in the first half of 2011, by achieving growth expectation while implementing a number of tightening measures, notwithstanding the complex and volatile economic challenges both at home and abroad.

In view of the austerity measures on purchase restrictions and price limits and tightening monetary policies and local governments intensified their efforts to accelerate social housing construction, real estate market in a number of cities began to cool down. As the government's austerity measures on the real estate market began to take positive effect, the rapid increase in property prices in the prior period was effectively contained. However, we remain confident in the real estate sector and the reasons are (1) China's economy continues to grow and is sustaining a relatively strong momentum; (2) The expectation for the appreciation of Renminbi persists. Real estate may serve as a tool for capital preservation, and there are still many people taking it as a mean for investment and financial management; and (3) Land resources is not renewable which will support to a positive long-term prospect of the property market.

As being a professional real estate developer, irrespective of the extent the government takes in controlling the real estate market, we shall promptly and actively adopt appropriate adjustment strategy. Plan management and cost control are the focuses in or management. We shall enhance our resilience in coping with market risks, and create excellent results to reward investors and our partners .

回顧及展望

2011年上半年，本集團整合了業務組合。我們出售多項資本密集型項目，如英華項目、東莞橋頭項目和張家口市香江名城項目和其他城市改造項目。在2011年8月，本公司已簽訂協議出售興寧寧江新城項目。這些項目都是要求高資本的支出。出售該等項目會帶來直接的正面現金流，將進一步改善營運資本狀況，並當有潛在的投資機會出現時，讓本集團能更好地捕捉。

作為十二年規劃的起始年，在2011年上半年，儘管無論在國內還是國外面對複雜多變的經濟挑戰，中國經濟仍保持快速、健康、穩定的增長軌道，實現經濟增長預期的同時，實施一系列緊縮措施。

在限購與限價和緊縮的貨幣政策及地方政府加緊努力加快社會住房建設等財政緊縮措施下，在多個城市的房地產市場開始降溫。政府緊縮措施對房地產市場開始體現積極的作用，已往物業價格迅速增的情況得到有效遏制。不過，我們仍然對房地產抱有信心，原因是(1)中國經濟持續增長，維持較強的勢頭；(2)人民幣升值的預期仍然存在。房地產可作為保存資本的工具及仍有很多人把房地產作為一個投資和財務管理的工具；和(3)土地資源不可再生對物業市場的長期前景提供積極支持。

作為專業的房地產開發商，無論政府對房地產市場實際採取何種程度的控制，我們須迅速和積極採用適當調整策略。計畫管理與成本控制是管理的重點。我們須加強我們應付逆境的能力面對市場風險，並創建優異的成績回報我們的投資者和合作夥伴。

Condensed Consolidated Statement of Comprehensive Income (Unaudited)

簡明綜合全面收益表(未經審核)

For the six months ended 30 June 2011

截至2011年6月30日止六個月

		Six months ended 30 June	
		截至6月30日止六個月	
		2011	2010
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
	Notes 附註		
Turnover	營業額	3	181,448
			113,366
Cost of sales	銷售成本		(133,273)
			(89,203)
Gross profit	毛利		48,175
			24,163
Other net income	其他收益淨額	4	8,456
			341
Other income	其他收入	5	5,645
			4,706
Selling and distribution expenses	銷售及分銷費用		(7,537)
			(12,906)
General and administrative expenses	一般及行政費用		(27,236)
			(24,691)
Other operating expenses	其他營運費用		(11,693)
			(2,143)
Net increase in fair value of investment properties	投資物業公允價值增加淨額		-
			25,755
Net increase in fair value of investment properties under development	發展中投資物業公允價值增加淨額		-
			114,208
Profit from operations	經營溢利		15,810
			129,433
Net change in fair value of derivative financial instruments	衍生金融工具公允價值變動淨額		12,652
			8,446
Finance costs	融資成本	6	(81,487)
			(33,629)
Gain on derecognition of available-for-sale financial assets	終止確認可供出售金融資產收益	13(a)	33,306
			-
Gain on disposal of subsidiaries	出售附屬公司收益	20	82,594
			-
Profit before tax	除稅前溢利		62,875
			104,250
Income tax	所得稅	7	(42,029)
			(42,806)
Profit and total comprehensive income for the period	本期間溢利及全面收益總額	8	20,846
			61,444
Attributable to:	以下人士應佔：		
Owners of the Company	本公司擁有人		20,853
			62,066
Non-controlling interests	非控股權益		(7)
			(622)
			20,846
			61,444
Earnings per share (RMB cents)	每股盈利(人民幣分)		
Basic	基本	10(a)	1.69
			5.22
Diluted	攤薄	10(b)	N/A
			5.20

Condensed Consolidated Statement of Financial Position (Unaudited)

簡明綜合財務狀況表(未經審核)

At 30 June 2011

於2011年6月30日

			30 June 2011	31 December 2010
			於2011年 6月30日	於2010年 12月31日
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
			(unaudited)	(audited)
			(未經審核)	(經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	7,867	9,871
Investment properties	投資物業	12	1,614,100	1,614,100
Available-for-sale financial assets	可供出售金融資產	13	–	251,895
Deferred tax assets	遞延稅項資產		13,192	13,233
			1,635,159	1,889,099
Current assets	流動資產			
Inventories	存貨		1,847,715	1,782,393
Trade and other receivables	應收賬款及其他應收款	14	300,220	769,384
Consideration receivables	應收代價	15	462,312	153,927
Trading securities	買賣證券		2,851	4,060
Pledged deposits	抵押存款		2,652	9,431
Bank balances and cash	銀行結餘及現金		106,926	92,787
			2,722,676	2,811,982
Current liabilities	流動負債			
Trade and other payables, and accruals	應付賬款、其他 應付款及預提費用	16	371,818	378,286
Receipts in advance	預收賬款		266,828	120,745
Rental and other deposits	租賃及其他按金		11,890	11,792
Derivative financial liabilities	衍生金融負債	17	1,623	14,275
Bank and other borrowings	銀行及其他借貸	18	738,609	823,230
Current tax liabilities	即期稅項負債		177,502	175,601
			1,568,270	1,523,929
Net current assets	流動資產淨值		1,154,406	1,288,053
Total assets less current liabilities	資產總值減流動負債		2,789,565	3,177,152
Non-current liabilities	非流動負債			
Bank and other borrowings	銀行及其他借貸	18	702,300	1,112,200
Deferred tax liabilities	遞延稅項負債		291,181	288,726
			993,481	1,400,926
NET ASSETS	資產淨值		1,796,084	1,776,226

Condensed Consolidated Statement of Financial Position (Unaudited) (continued)

簡明綜合財務狀況表(未經審核)(續)

At 30 June 2011
於2011年6月30日

		Notes	30 June 2011 於2011年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2010 於2010年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
Capital and reserves	股本及儲備			
Share capital	股本	19	11,971	11,971
Reserves	儲備		1,784,113	1,763,260
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,796,084	1,775,231
Non-controlling interests	非控股權益		–	995
TOTAL EQUITY	權益總額		1,796,084	1,776,226

Approved by the Board of Directors on 29 August 2011.

於2011年8月29日獲董事會批准。

Director
董事

Director
董事

Condensed Consolidated Statement of Changes In Equity (Unaudited)

簡明綜合權益變動表(未經審核)

For the six months ended 30 June 2011

截至2011年6月30日止六個月

		Attributable to owners of the Company 本公司擁有人應佔							Non-	Total
		Share capital	Share premium	Merger reserve	Statutory reserve	Capital reserve	Retained profits	Total	controlling interests	equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2010	於2010年1月1日	10,296	579,466	24,227	49,373	32,455	1,022,288	1,718,105	2,732	1,720,837
Profit and total comprehensive income for the period	期內溢利及全面收益總額	-	-	-	-	-	62,066	62,066	(622)	61,444
Issue of shares	發行股份	924	86,797	-	-	-	-	87,721	-	87,721
Shares issued under share option scheme	根據購股權計劃發行股份	167	24,592	-	-	(14,754)	-	10,005	-	10,005
Issue of scrip dividend shares	發行以股代息股份	584	74,749	-	-	-	(75,333)	-	-	-
Special dividend paid in cash	以現金派付的特別股息	-	-	-	-	-	(78,209)	(78,209)	-	(78,209)
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	114,566	114,566
Changes in equity for the period	期內權益變動	1,675	186,138	-	-	(14,754)	(91,476)	81,583	113,944	195,527
At 30 June 2010	於2010年6月30日	11,971	765,604	24,227	49,373	17,701	930,812	1,799,688	116,676	1,916,364
At 1 January 2011	於2011年1月1日	11,971	765,604	24,227	49,373	17,694	906,362	1,775,231	995	1,776,226
Profit and total comprehensive income for the period	期內溢利及全面收益總額	-	-	-	-	-	20,853	20,853	(7)	20,846
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	(988)	(988)
Changes in equity for the period	期內權益變動	-	-	-	-	-	20,853	20,853	(995)	19,858
At 30 June 2011	於2011年6月30日	11,971	765,604	24,227	49,373	17,694	927,215	1,796,084	-	1,796,084

Condensed Consolidated Statement of Cash Flows (Unaudited)

簡明綜合現金流量表(未經審核)

For the six months ended 30 June 2011

截至2011年6月30日止六個月

		Six months ended 30 June	
		截至6月30日止六個月	
		2011	2010
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES	經營活動產生/(動用)的現金淨額	392,505	(350,988)
NET CASH GENERATED FROM/ (USED IN) INVESTING ACTIVITIES	投資活動產生/(動用)的現金淨額	116,740	(33,118)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	融資活動(動用)/產生的現金淨額	(495,106)	732,953
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額	14,139	348,847
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	期初現金及現金等價物	92,787	216,950
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等價物	106,926	565,797
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等價物分析		
Bank balances and cash	銀行結餘及現金	106,926	565,797

Notes to the Condensed Financial Statements

簡明財務報表附註

For the Six Months Ended 30 June 2011

截至2011年6月30日止六個月

1. GENERAL INFORMATION AND BASIS OF PREPARATION

(a) General information

Hong Long Holdings Limited (the “Company”) was incorporated in the Cayman Islands with limited liability. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, George Town, Grand Cayman KY1-1111, the Cayman Islands. The address of its principal place of business is 17th Floor, Block B, Hong Long Century Plaza, Heping Road, Luohu District, Shenzhen, the People’s Republic of China (the “PRC”).

(b) Basis of preparation

These condensed financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) have 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 “HKICPA”) and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

These condensed financial statements should be read in conjunction with the 2010 annual financial statements. The accounting policies and methods of computation used in the preparation of these condensed financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2010.

1. 一般資料及編製基準

(a) 一般資料

鴻隆控股有限公司(「本公司」)於開曼群島註冊成立為有限公司，註冊辦事處位於Cricket Square, Hutchins Drive, PO Box 2681, George Town, Grand Cayman KY1-1111, the Cayman Islands，而主要營業地點位於中華人民共和國(「中國」)深圳羅湖區和平路鴻隆世紀廣場B座17樓。

(b) 編製基準

本公司及其附屬公司(統稱「本集團」)的該等簡明財務報表乃按照香港會計師公會(「香港會計師公會」)所頒佈的香港會計準則(「香港會計準則」)第34號「中期財務報告」及香港聯合交易所有限公司證券上市規則(「上市規則」)規定的適用披露事項編製。

該等簡明財務報表應與2010年度財務報表一併閱覽。編製該等簡明財務報表所採用的會計政策及計算方法與截至2010年12月31日止年度之年度財務報表所採用者一致。

Notes to the Condensed Financial Statements

簡明財務報表附註

For the Six Months Ended 30 June 2011

截至2011年6月30日止六個月

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

These condensed financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial instruments classified as trading securities and derivative financial instruments which are carried at their fair values.

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2011. HKFRSs comprise Hong Kong Financial Reporting Standards; HKAS; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

2. 採納新訂及經修訂香港財務報告準則

該等簡明財務報表乃按歷史成本常規編製，並就重估按公允值入賬之投資物業、分類為買賣證券的金融工具及衍生金融工具作出修訂。

於本期間，本集團已採納所有由香港會計師公會所頒佈且與其業務有關的新訂及經修訂香港財務報告準則（「香港財務報告準則」），該等香港財務報告準則於其自2011年1月1日開始的會計年度生效。香港財務報告準則包括香港財務報告準則、香港會計準則及詮釋。採納該等新訂及經修訂香港財務報告準則不會對本集團之會計政策、本集團財務報表之呈列及本期間及先前年度之呈報金額產生重大變動。

本集團並無應用已頒佈但尚未生效的新增香港財務報告準則。本集團已開始評估新增香港財務報告準則的影響，但現階段仍未能定斷新增香港財務報告準則會否對本集團的經營業績及財務狀況構成重大影響。

Notes to the Condensed Financial Statements

簡明財務報表附註

For the Six Months Ended 30 June 2011

截至2011年6月30日止六個月

3. SEGMENT INFORMATION

3. 分部資料

		Property development	Property leasing	Total
		物業開發	物業租賃	合計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
		(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)
Six months ended 30 June 2011	截至2011年6月30日止六個月			
Revenue from external customers	外來客戶收入	147,796	33,652	181,448
Segment profit	分部溢利	136,181	23,956	160,137
Other information:	其他資料：			
Gain on derecognition of available-for-sale financial assets	終止確認可供出售金融資產收益	33,306	-	33,306
Gain on disposal of subsidiaries	出售附屬公司收益	80,800	1,794	82,594
Waiver of other payable	免除其他應付款	3,600	-	3,600
At 30 June 2011	於2011年6月30日			
Segment assets	分部資產	2,583,111	1,692,932	4,276,043
Six months ended 30 June 2010	截至2010年6月30日止六個月			
Revenue from external customers	外來客戶收入	82,327	31,039	113,366
Segment (loss)/profit	分部(虧損)/溢利	(9,807)	161,027	151,220
Other information:	其他資料：			
Net increase in fair value of investment properties	投資物業公允值增加淨額	-	25,755	25,755
Net increase in fair value of investment properties under development	發展中投資物業公允值增加淨額	-	114,208	114,208
		(audited)	(audited)	(audited)
		(經審核)	(經審核)	(經審核)
At 31 December 2010	於2010年12月31日			
Segment assets	分部資產	2,817,290	1,688,470	4,505,760

Notes to the Condensed Financial Statements

簡明財務報表附註

For the Six Months Ended 30 June 2011
截至2011年6月30日止六個月

3. SEGMENT INFORMATION (CONTINUED)

3. 分部資料(續)

Reconciliations of reportable segment profit:

須報告分部溢利的對賬：

		Six months ended 30 June 截至6月30日止六個月	
		2011	2010
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Total profit of reportable segments	須報告分部溢利總額	160,137	151,220
Other net income and other income	其他收益淨額及其他收入	10,501	5,047
Depreciation and amortisation	折舊及攤銷	(13)	(19)
Corporate finance costs	企業融資成本	(81,487)	(33,629)
Net change in fair value of derivative financial instruments	衍生金融工具的 公允值的變動淨額	12,652	8,446
Other corporate expenses	其他企業開支	(38,915)	(26,815)
Profit before tax	除稅前溢利	62,875	104,250

4. OTHER NET INCOME

4. 其他收益淨額

		Six months ended 30 June 截至6月30日止六個月	
		2011	2010
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Gain/(loss) on disposal of property, plant and equipment	出售物業、廠房及設備 之收益/(虧損)	926	(12)
Net fair value losses on trading securities	買賣證券的公允值虧損淨額	(209)	(1,054)
Net exchange (losses)/gains	匯兌(虧損)/收益淨額	(178)	1,407
Waiver of other borrowings	免除其他借貸	4,317	–
Waiver of other payable	免除其他應付款	3,600	–
		8,456	341

Notes to the Condensed Financial Statements

簡明財務報表附註

For the Six Months Ended 30 June 2011

截至2011年6月30日止六個月

5. OTHER INCOME

5. 其他收入

		Six months ended 30 June 截至6月30日止六個月	
		2011 RMB'000 人民幣千元 (unaudited) (未經審核)	2010 RMB'000 人民幣千元 (unaudited) (未經審核)
Interest income	利息收入	1,472	3,573
Others	其他	4,173	1,133
		5,645	4,706

6. FINANCE COSTS

6. 融資成本

		Six months ended 30 June 截至6月30日止六個月	
		2011 RMB'000 人民幣千元 (unaudited) (未經審核)	2010 RMB'000 人民幣千元 (unaudited) (未經審核)
Interest on bank and other borrowings	銀行及其他借貸利息	100,130	124,906
Interest on Senior Note	優先票據利息	–	16,544
Total borrowing costs	借貸成本總額	100,130	141,450
Less: Amount capitalised	減：資本化金額	(18,643)	(107,821)
		81,487	33,629

Notes to the Condensed Financial Statements

簡明財務報表附註

For the Six Months Ended 30 June 2011
截至2011年6月30日止六個月

7. INCOME TAX

7. 所得稅

		Six months ended 30 June	
		截至6月30日止六個月	
		2011	2010
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Current tax	本期稅項		
PRC Corporate Income Tax	中國企業所得稅	30,095	5,726
Land Appreciation Tax ("LAT")	土地增值稅(「土地增值稅」)	11,553	4,412
		41,648	10,138
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時差異之產生及撥回	773	32,668
Effect of changes in tax rate on opening deferred tax balances	稅率變動對期初遞延稅項結餘的影響	(392)	-
		381	32,668
		42,029	42,806

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI. No Hong Kong Profits Tax has been provided for as the Group does not have estimated assessable profits in Hong Kong.

The provision for the PRC Corporate Income Tax is based on a statutory rate of 25% of the taxable profits determined in accordance with the relevant income tax rules and regulations in the PRC for the six months ended 30 June 2011, except for certain subsidiaries of the Group located within the special economic zones in the PRC for which the applicable preferential tax rate is 24% for 2011. The preferential tax rate will be increased to 25% for the year ending 31 December 2012. Accordingly, the deferred tax of the Group is recognised based on tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

根據開曼群島及英屬處女群島的規則及規例，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。由於本集團於香港並無任何估計應課稅收入，故並無就香港利得稅作出準備。

截至2011年6月30日止六個月，根據中國有關所得稅法規，本集團各附屬公司按應課稅溢利25%的法定企業所得稅稅率繳稅，除本集團若干位於中國經濟特區的附屬公司，於2011年按該等附屬公司適用優惠稅率24%計算應課稅額，而有關優惠稅率將於截至2012年12月31日止年度增至25%。因此，本集團之遞延稅項乃根據資產被變現或負債被償還時預期之適用稅率予以確認。

Notes to the Condensed Financial Statements

簡明財務報表附註

For the Six Months Ended 30 June 2011

截至2011年6月30日止六個月

7. INCOME TAX (CONTINUED)

LAT is levied on properties developed by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditure including lease charges of land use rights, borrowing costs and all property development expenditure.

7. 所得稅(續)

本集團銷售所發展的物業須按土地價值增幅以30%至60%的累進稅率繳納土地增值稅，根據有關規例，土地增值稅乃按出售物業所得款項減可扣稅開支(包括土地使用權租賃支出、借貸成本及所有物業發展開支)計算。

8. PROFIT FOR THE PERIOD

8. 期內溢利

		Six months ended 30 June	
		截至6月30日止六個月	
		2011	2010
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
The Group's profit for the period is stated after charging the followings:	本集團之期內溢利乃經扣除下列項目後而呈列：		
Directors' remuneration	董事薪酬	2,896	4,704
Amortisation of leasehold land	租賃土地攤銷	-	688
Impairment loss on other receivables	其他應收款減值虧損	100	-
Impairment loss on prepaid land costs	預付土地成本減值虧損	294	-
Depreciation	折舊	1,639	1,799
Less: Amount capitalised	減：資本化金額	(14)	(624)
		1,625	1,175

9. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2011 (2010: HK\$0.15 per share).

9. 中期股息

董事會不建議派付截至2011年6月30日止六個月之中期股息(2010年：每股0.15港元)。

Notes to the Condensed Financial Statements

簡明財務報表附註

For the Six Months Ended 30 June 2011

截至2011年6月30日止六個月

10. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share attributable to owners of the Company is based on the profit for the period attributable to owners of the Company of approximately RMB20,853,000 (2010: RMB62,066,000) and the weighted average number of ordinary shares of approximately 1,230,671,000 (2010: 1,188,116,000) in issue during the six months period.

(b) Diluted earnings per share

For the six months ended 30 June 2011, the Company's outstanding share options had no dilutive effect because the exercise prices of the Company's share options were higher than the average market price for shares. For the six months ended 30 June 2010, the calculation of diluted earnings per share is based on profit attributable to owners of the Company of approximately RMB62,066,000 and the weighted average number of shares of approximately 1,193,545,000 calculated as follows:

Weighted average number of shares (diluted)	股份加權平均數(攤薄)	
Weighted average number of shares in issue	已發行股份加權平均數	1,188,116
Deemed issue of ordinary shares under share option scheme for nil consideration	被視為根據認股權計劃無償發行普通股	5,429
Weighted average number of shares (diluted) at 30 June	於6月30日的股份加權平均數(攤薄)	1,193,545

10. 每股盈利

(a) 每股基本盈利

本公司擁有人應佔每股基本盈利乃根據期內本公司擁有人應佔溢利約人民幣20,853,000元(2010年: 人民幣62,066,000元), 以及於六個月期間已發行普通股的加權平均數約1,230,671,000股(2010年: 1,188,116,000股)計算。

(b) 每股攤薄盈利

截至2011年6月30日止六個月, 因本公司購股權行使價高於股份平均市價, 故本公司未行使購股權概無任何攤薄效應。截至2010年6月30日止六個月, 每股攤薄盈利乃根據本公司擁有人應佔溢利約人民幣62,066,000元及股份加權平均數約1,193,545,000股計算, 結果如下:

Six months ended 30 June 2010
截至2010年6月30日止六個月
'000
千股
(unaudited)
(未經審核)

Notes to the Condensed Financial Statements

簡明財務報表附註

For the Six Months Ended 30 June 2011

截至2011年6月30日止六個月

10. EARNINGS PER SHARE (CONTINUED)

(b) Diluted earnings per share

The Company's outstanding warrants had no dilutive effect on earnings per share upon deemed exercise during the six months ended 30 June 2011 and 2010 as the exercise price of the warrants was higher than the average market price for shares.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2011, the Group acquired property, plant and equipment of approximately RMB2,661,000 and disposed of its office premises together with the leasehold improvements thereof in the PRC with net carrying amounts totalled approximately RMB2,796,000 at a consideration of approximately RMB3,734,000.

12. INVESTMENT PROPERTIES

All of the Group's investment properties are measured using the fair value model. The Group's investment properties were revalued as at 30 June 2011 by an independent firm of surveyors, Knight Frank Petty Limited, who has among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of properties being valued, on a market value basis calculated by reference to the net rental income allowing for reversionary income potential.

At 30 June 2011, all investment properties of the Group were pledged against certain bank and other borrowings granted to the Group.

10. 每股盈利(續)

(b) 每股攤薄盈利

由於認股權證行使價高於股份平均市價，本公司之尚未行使認股權證於被視為於截至2011年及2010年6月30日止六個月內行使時並無對每股盈利產生攤薄影響。

11. 物業、廠房及設備

於截至2011年6月30日止六個月，本集團購置約人民幣2,661,000元之物業、廠房及設備，出售賬面淨值合共為約人民幣2,796,000元的中國辦公室物業連同租賃裝修，代價為約人民幣3,734,000元。

12. 投資物業

本集團所有投資物業以公允值模型進行計量。本集團之投資物業由獨立測計師行萊坊測計師行有限公司(其員工中有香港測量師學會資深會員，並對所估價值物業的地點及類別擁有新近經驗)於2011年6月30日按市值基準進行重估，而有關市值乃參考租約期滿增加收入之可能性所帶來之租金收入淨額計算。

於2011年6月30日，本集團的所有投資物業已就授予本集團的若干銀行及其他借貸予以抵押。

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簡明財務報表附註

For the Six Months Ended 30 June 2011

截至2011年6月30日止六個月

13. AVAILABLE-FOR-SALE FINANCIAL ASSETS

13. 可供出售金融資產

		30 June 2011	31 December 2010
		於2011年 6月30日	於2010年 12月31日
		RMB'000	RMB'000
		(unaudited)	(audited)
		(未經審核)	(經審核)
Unlisted equity securities, at cost (note (a))	非上市股票，按成本(附註(a))	-	249,395
Unlisted limited partnership, at cost (note (b))	非上市有限合夥企業， 按成本(附註(b))	-	2,500
		-	251,895

(a) During the six months ended 30 June 2011, after negotiations between the Group and the vendors of Shenzhen Huaxingguang Industrial Company Limited ("Huaxingguang"), both parties agreed to rescind all share transfer and project cooperation agreements and supplemental agreements in relation to the acquisition of Huaxingguang, a company established in the PRC and principally engaged in property development. In June 2011, the Group's 22% equity interest in Huaxingguang with carrying amount of approximately RMB250,694,000 was transferred back to the vendors at a consideration of RMB284,000,000, of which RMB24,000,000 has been received after the reporting period and the remaining RMB260,000,000 shall be due in December 2011.

(b) The investment in the unlisted limited partnership, established in the PRC, was disposed of during the six months ended 30 June 2011 through the disposal of a subsidiary.

(a) 於截至2011年6月30日止六個月，經本集團與深圳市華興廣實業有限公司(「華興廣」)的賣方磋商後，雙方同意撤銷有關收購華興廣(於中國成立的公司，並主要從事物業開發)的股權轉讓及項目合作協議及補充協議。於2011年6月，本集團將其於華興廣賬面值為約人民幣250,694,000元的22%股權轉讓予賣方，代價為人民幣284,000,000元，其中的人民幣24,000,000元已於報告期後收回，而餘額人民幣260,000,000元將於2011年12月到期。

(b) 於在中國成立的非上市有限合夥企業中的投資已於截至2011年6月30日止六個月透過出售一間附屬公司之方式出售。

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簡明財務報表附註

For the Six Months Ended 30 June 2011

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14. TRADE AND OTHER RECEIVABLES

14. 應收賬款及其他應收款

		30 June 2011 於2011年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2010 於2010年 12月31日 RMB'000 人民幣千元 (audited) (經審核)
0 to 3 months	0至3個月	28,025	317,528
More than 3 months but less than 6 months	超過3個月但 少於6個月	1,682	683
More than 6 months but less than 1 year	超過6個月但 少於1年	131,626	5,096
Over 1 year	超過1年	832	3,633
Trade receivables	應收賬款	162,165	326,940
Other receivables	其他應收款	3,004	2,445
Loans and advances	貸款及墊款	32,573	157,046
Prepaid land costs	預付土地成本	73,240	232,320
Prepayments and deposits	預付款及按金	29,238	50,633
		300,220	769,384

Trade receivables are mainly arisen from leasing and sales of properties. Rental receivables from tenants are due on presentation of invoices and no credit terms for sales of properties unless otherwise specified in the underlying agreements with the purchasers.

The above ageing analysis of trade receivables is based on invoice date for property leasing and delivery date for property sales.

應收賬款主要來自物業租賃及銷售。應收租戶租金於出具發票時到期，物業銷售並無信貸期限，與買家之相關協議另有規定則除外。

上述應收賬款賬齡分析乃以物業租賃的發票日期及物業銷售交付日期為基準。

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15. CONSIDERATION RECEIVABLES

The Group's consideration receivables comprise the following:

An amount of RMB78,000,000 arising from the disposal of the Group's subsidiary, Huizhou Yintaida Company Limited, in 2010. The amount was due on 10 May 2011. In July 2011, the Group entered into a supplemental agreement with the purchaser whereby both parties agreed that the repayment date is extended to June 2012 and settled by phase.

An amount of RMB284,000,000 arising from derecognition of the investment in Huaxingguang. Details of which are disclosed in note 13(a) to these condensed financial statements.

The remaining balance of approximately RMB100,312,000 is arising from the disposal of the Group's entire equity interests in Kong Long Property Management Company Limited* ("Kong Long"), Shenzhen Hong Long Real Estates Company Limited* ("SZ HL Real Estates"), Shenzhen Yirui Investment Development Company Limited* ("SZ Yirui"), Meizhou Hong Long Shi Ye Company Limited* ("MZ HL") and Powermore Limited ("Powermore") during the six months ended 30 June 2011. The amount has been settled after the reporting period.

* For identification purpose only

15. 應收代價

本集團之應收代價包括如下：

人民幣78,000,000元，該款項乃來自於2010年出售本集團附屬公司惠州市銀泰達實業有限公司。該筆款項已於2011年5月10日到期。於2011年7月，本集團與買方訂立補充協議，據此，雙方同意償還日期延長至2012年6月及分階段付款。

人民幣284,000,000元，該款項乃來自終止確認於華興廣之投資。有關詳情披露於該等簡明財務報表附註13(a)。

餘額約人民幣100,312,000元乃來自截至2011年6月30日止六個月出售本集團於深圳市港隆物業有限公司(「港隆」)、深圳市鴻隆置業有限公司(「深圳鴻隆置業」)、深圳市饒瑞投資發展有限公司(「深圳饒瑞」)、梅州鴻隆實業有限公司(「梅州鴻隆」)及力增有限公司(「力增」)的全部股權。該款項已於報告期後付清。

* 僅供識別

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16. TRADE AND OTHER PAYABLES, AND ACCRUALS

16. 應付賬款、其他應付款及預提費用

		30 June 2011	31 December 2010
		於2011年 6月30日	於2010年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
0 to 3 months or on demand	0至3個月或按要求	102,829	100,226
More than 3 months but less than 6 months	超過3個月但少於6個月	685	2,748
More than 6 months but less than 1 year	超過6個月但少於1年	11,573	592
Over 1 year	超過1年	5,324	4,732
Trade payables	應付賬款	120,411	108,298
Amounts due to directors	應付董事款項	-	3,540
Other creditors and accrued charges	其他應付款及預提費用	251,407	266,448
		371,818	378,286

17. DERIVATIVE FINANCIAL LIABILITIES

17. 衍生金融負債

		30 June 2011	31 December 2010
		於2011年 6月30日	於2010年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Warrants	認股權證	1,623	14,275

The Warrants, representing the fair value of the right to subscribe for up to an aggregate of 81,000,000 ordinary shares of the Company at the applicable exercise price, is determined by an independent valuer, Asset Appraisal Limited, using the Binomial option pricing model.

認股權證(相當於可按適用行使價合共認購本公司普通股最多81,000,000股的權利)的公允值由獨立估值師資產評估顧問有限公司採用二項式期權定價模型計算。

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18. BANK AND OTHER BORROWINGS

18. 銀行及其他借貸

		30 June 2011	31 December 2010
		於2011年 6月30日	於2010年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Bank loans	銀行貸款		
– Secured	– 有抵押	948,250	1,030,150
– Unsecured	– 無抵押	240,000	400,000
		1,188,250	1,430,150
Other loans	其他貸款		
– Secured	– 有抵押	95,000	95,000
– Unsecured	– 無抵押	157,659	410,280
		252,659	505,280
		1,440,909	1,935,430
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：12個月內結算的 到期款項 (列為流動負債)	(738,609)	(823,230)
Amount due for settlement after 12 months	12個月後結算的到期款項	702,300	1,112,200

At 30 June 2011, the Group's assets pledged as security for the Group's bank and other borrowings are as follows:

於2011年6月30日，為本集團銀行及其他借貸而抵押的本集團資產如下：

		30 June 2011	31 December 2010
		於2011年 6月30日	於2010年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Investment properties	投資物業	1,614,100	1,614,100
Inventories	存貨	677,577	682,687
Pledged deposits	抵押存款	189	1,078
		2,291,866	2,297,865

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18. BANK AND OTHER BORROWINGS (CONTINUED)

At 30 June 2011, included in bank and other borrowings are certain loans guaranteed by a director of the Company, Mr. ZENG Yunshu and/or a resigned director of the Company, Mr. ZENG Sheng.

At 30 June 2011, included in bank and other borrowings are certain loans secured by certain certificates of land use rights of lands owned by an ex-subsiary of the Group.

18. 銀行及其他借貸(續)

於2011年6月30日，銀行及其他借貸包括由本公司一名董事曾雲樞先生及/或本公司一名已辭任董事曾勝先生擔保的若干貸款。

於2011年6月30日，銀行及其他借貸包括以本集團前附屬公司擁有的若干土地使用權證作抵押的若干貸款。

19. SHARE CAPITAL

(a) Share capital

	Number of shares 股份數目		Share capital 股本	
	30 June 2011 於2011年 6月30日 (unaudited) (未經審核)	31 December 2010 於2010年 12月31日 (audited) (經審核)	30 June 2011 於2011年 6月30日 (unaudited) (未經審核)	31 December 2010 於2010年 12月31日 (audited) (經審核)
Authorised: Ordinary shares of HK\$0.01 each	法定： 每股面值港幣0.01元 的普通股			
	30,000,000,000	30,000,000,000	300,000	300,000
Issued and fully paid: Ordinary shares of HK\$0.01 each	已發行及繳足： 每股面值港幣0.01元 的普通股			
	1,230,671,384	1,230,671,384	12,307	12,307

	30 June 2011 於2011年 6月30日 (unaudited) (未經審核)	31 December 2010 於2010年 12月31日 (audited) (經審核)
RMB equivalent 人民幣等額	11,971	11,971

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19. SHARE CAPITAL (CONTINUED)

(b) Terms of unexpired and unexercised share options at the reporting date:

Exercise period 行使期	Exercise price 行使價	30 June 2011 於2011年 6月30日	31 December 2010 於2010年 12月31日
		Number 數目 (unaudited) (未經審核)	Number 數目 (audited) (經審核)
15 November 2007 to 14 May 2017	2007年11月15日至2017年5月14日	HK\$1.84 港幣1.84元	27,935,000
10 April 2008 to 9 October 2017	2008年4月10日至2017年10月9日	HK\$2.99 港幣\$2.99元	1,000,000
13 August 2008 to 12 August 2018	2008年8月13日至2018年8月12日	HK\$1.70 港幣\$1.70元	8,000,000
		36,935,000	36,935,000

19. 股本(續)

(b) 於報告日期尚未屆滿及尚未行使認股權的條款：

20. DISPOSAL OF SUBSIDIARIES

During the six months ended 30 June 2011, the Group disposed of its 90% equity interest in Dongguan Honghua Shiye Investment Company Limited* and its 100% equity interests in Shenzhen Hong Long Weiye Real Estate Company Limited*, Shenzhen Yinghua Development Company Limited*, Kong Long, SZ HL Real Estates, SZ Yirui, MZ HL and Powermore at a total consideration of approximately RMB153,112,000. A gain on disposal of subsidiaries of approximately RMB82,594,000 was recognised in consolidated profit or loss. Apart from Kong Long which is engaged in property leasing, all the disposed subsidiaries are engaged in property development.

* For identification purpose only

20. 出售附屬公司

於截至2011年6月30日止六個月，本集團出售於東莞市鴻華實業投資有限公司的90%股權及其於深圳市鴻隆偉業房地產有限公司、深圳市英華實業發展有限公司、港隆、深圳鴻隆置業、深圳饒瑞、梅州鴻隆及力增的100%股權，總代價為約人民幣153,112,000元。出售附屬公司收益約人民幣82,594,000元已於綜合損益內確認。除港隆從事物業租賃外，所有出售附屬公司均從事物業開發。

* 僅供識別

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21. RELATED PARTY TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the condensed financial statements, the Group had the following transactions and balances with related parties during the period:

(a) Key management personnel compensation

The key management personnel of the Group comprises all directors, details of their emoluments were disclosed as follows:

Balances with key management personnel

		30 June 2011	31 December 2010
		於2011年 6月30日	於2010年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Remuneration payable	應付薪酬	430	709

Transactions with key management personnel

		Six months ended 30 June 截至6月30日止六個月	2010
		2011	2010
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Directors' remuneration	董事薪酬	2,896	4,704

21. 關連人士交易

除於簡明財務報表其他地方披露的該等關連人士交易及結餘外，本集團與關連人士於期內之交易及結餘如下：

(a) 主要管理人員薪酬

本集團的主要管理人員包括所有董事，彼等的薪酬詳情披露如下：

與主要管理人員的結餘

與主要管理人員的交易

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21. RELATED PARTY TRANSACTIONS (CONTINUED)

21. 關連人士交易 (續)

(b) Balances with related parties

(b) 與關連人士的結餘

		30 June 2011	31 December 2010
		於2011年 6月30日	於2010年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Included in trade and other receivables:	計入應收賬款及其他應收款：		
Prepayments of construction materials to a related party, which is beneficially owned and controlled by Mr. ZENG Yunshu	向一名關連人士(由曾雲樞先生實益擁有及控制)預付建築材料款項	-	1,136
Included in trade and other payables, and accruals:	計入應付賬款、其他應付款及預提費用：		
Amount due to a related party, which is beneficially owned and controlled by Mr. ZENG Yunshu	應付一名關連人士(由曾雲樞先生實益擁有及控制)款項	200	200

22. CONTINGENT LIABILITIES

22. 或然負債

- (a) At 30 June 2011, the Group provided guarantees to certain banks in respect of mortgage facilities granted in connection with the mortgage loans entered into by purchasers of the Group's properties as follows:

- (a) 於2011年6月30日，本集團就有關本集團物業買家訂立的按揭貸款而授出的按揭融資額度，向若干銀行提供擔保如下：

		30 June 2011	31 December 2010
		於2011年 6月30日	於2010年 12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Guarantees given to banks for mortgage facilities granted to purchasers	就買方獲授按揭融資額度向銀行提供擔保	202,413	332,810

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22. CONTINGENT LIABILITIES (CONTINUED)

(a) (continued)

Pursuant to the terms of the guarantees, if there are any defaults on the mortgages, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulting purchasers to banks. The Group is then entitled to take over the legal title and possession of the related properties. The guarantees shall be released in accordance with the terms of the guarantee contracts, such as:

- (i) upon the issue of the relevant purchaser's property ownership certificate and in the custody of the bank; or
- (ii) up to a maximum of two years after the full repayment of mortgage loan by the relevant purchaser.

At 30 June 2011, the directors do not consider it probable that a claim will be made against the Group under the above guarantees.

The fair value of the guarantees at date of inception is not material and is not recognised.

- (b) At 30 June 2011, the Group provided guarantees to certain banks and financial institutions to the extent of RMB1,221,000,000 in respect of loan facilities granted to certain subsidiaries which had been disposed of. The guarantees shall be released, in accordance with the terms of the guarantee contracts, up to a maximum of two years after the full repayment of the loans.

At 30 June 2011, the directors do not consider it probable that a claim will be made against the Group under the above guarantees since the loan facilities were also secured by certain certificates of land use rights of lands owned by the disposed subsidiaries and 100% equity interest of a disposed subsidiary.

The fair value of the guarantees at the date of inception is not material and is not recognised.

22. 或然負債(續)

(a) (續)

根據擔保之條款，倘按揭出現違約情況，本集團須負責償還違約買方結欠銀行之未償還按揭本金連同應計利息及罰款。本集團之後有權接管相關物業的法定業權及所有權。有關擔保將根據擔保合約條款解除，如：

- (i) 相關買方的房屋所有權證獲頒發及由銀行保管；或
- (ii) 相關買家悉數償還按揭貸款後最多兩年。

於2011年6月30日，董事認為本集團因上述擔保而面臨索償的機會不大。

有關擔保於提供日期之公允值並不重大，因此並無確認。

- (b) 於2011年6月30日，本集團就授予若干(已出售)附屬公司的貸款融資向若干銀行及金融機構提供擔保達人民幣1,221,000,000元。該擔保將根據擔保合約條款，即悉數償還貸款後最多兩年內解除。

於2011年6月30日，因有關擔保亦以該等已出售的附屬公司所擁有的若干土地使用權證書及其中一間已出售的附屬公司的全部股權作抵押，董事認為本集團因上述擔保而面臨索償的機會不大。

有關擔保於提供日期之公允值並不重大，因此並無確認。

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22. CONTINGENT LIABILITIES (CONTINUED)

- (c) At 30 June 2011, the Group provided guarantee and pledged certain of its investment properties with carrying amount of approximately RMB119,100,000 to a bank regarding a loan facility of approximately RMB95,000,000 granted to a tenant of the Group. The maximum liability of the Group, at 30 June 2011, under the guarantee was the loan amount outstanding as at the same date of approximately RMB95,000,000. The guarantee and the charged assets shall be released, in accordance with the terms of the guarantee contract, up to a maximum of two years after the full repayment of the loan.

At 30 June 2011, the directors do not consider it probable that a claim will be made against the Group under the above guarantee. The directors believe that all the outstanding amounts will be settled by the tenant upon maturity. In addition, the Group also owed approximately RMB95,000,000 to the tenant at the end of the reporting period. If there is any default payment of loan by the tenant, the Group is responsible to repay the outstanding loan principal together with accrued interest and penalty owed by the tenant to the bank. The directors indicated that, in the event of default payment by the tenant, the Group would then withhold the repayment of its loan due to the tenant.

The fair value of the guarantee at the date of inception is not material and is not recognised.

- (d) At 30 June 2011, the Group provided guarantee to a bank regarding a loan facility of approximately RMB50,000,000 for a business associate. The maximum liability of the Group, at 30 June 2011, under the guarantee was the loan amount outstanding at that date of approximately RMB50,000,000. The guarantee shall be released, in accordance with the terms of the guarantee contract, up to a maximum of two years after the full repayment of the loan.

At 30 June 2011, the directors do not consider it probable that a claim will be made against the Group under the above guarantee since the loan facility was also secured by certain property ownership certificates of properties owned by a director of the Company, Mr. ZENG Yunshu or a resigned director of the Company, Mr. ZENG Sheng or a company independent of the Group.

The fair value of the guarantee at the date of inception is not material and is not recognised.

22. 或然負債(續)

- (c) 於2011年6月30日，本集團就授予本集團一個租戶的貸款融資約人民幣95,000,000元向一間銀行提供擔保及其賬面值約人民幣119,100,000元的若干投資物業作抵押。本集團2011年6月30日於擔保下的最高負債，為同日未償還貸款約人民幣95,000,000元。該擔保及抵押資產將根據擔保合約條款，即悉數償還貸款後最多兩年內解除。

於2011年6月30日，董事認為本集團因上述擔保而面臨索償的機會不大。董事認為該租戶將於到期時償還所有未付款項。此外，截至報告期末，本集團亦欠該租戶約人民幣95,000,000元。倘該租戶拖欠貸款，本集團須負責償還該租戶結欠銀行之未償還貸款本金連同應計利息及罰款。董事表示，倘該租戶出現違約，本集團隨後將暫緩償還其應付該租戶的貸款。

有關擔保於提供日期之公允值並不重大，因此並無確認。

- (d) 於2011年6月30日，本集團就業務相關人士的貸款融資約人民幣50,000,000元向一間銀行提供擔保。本集團2011年6月30日於擔保下的最高負債，為同日未償還貸款約人民幣50,000,000元。該擔保及抵押資產將根據擔保合約條款，即悉數償還貸款後最多兩年內解除。

於2011年6月30日，因有關擔保亦以本公司一名董事曾雲樞先生或本公司一名辭任董事曾勝先生或獨立於本集團的一間公司所擁有的若干物業業權證書抵押，董事認為本集團因上述擔保而面臨索償的機會不大。

有關擔保於提供日期之公允值並不重大，因此並無確認。

Notes to the Condensed Financial Statements

簡明財務報表附註

For the Six Months Ended 30 June 2011

截至二零一一年六月三十日止六個月

22. CONTINGENT LIABILITIES (CONTINUED)

- (e) Pursuant to a purchase agreement of land use right and a supplemental agreement both dated 31 January 2008, if the Group cannot complete the underlying property development project at Chaohu City, Anhui Province, the PRC ("Chaohu Project") on or before 31 December 2010, the vendor shall charge the Group a daily penalty of 0.1% on the land premium amount. At 30 June 2011, the Group experienced a delay in the construction progress and would not be able to meet the contractual construction completion date. However, up to the date of this announcement, the Group has not received any enforcement notice from the vendor in relation to the above. Based on past experience, the directors are of the opinion that the first phase of Chaohu Project shall be completed in 2011 and the Group will not be subject to any penalties relating to the delay in the contractual construction completion date. Hence, no provision has been made in these condensed financial statements.
- (f) At 30 June 2011, the Group has been in litigation in relation to various claims totalled approximately RMB14,651,000. Based on the legal advice obtained, the directors of the Company believe that the Group has reasonable good chances of successfully defending those claims. Hence no provision has been made in the condensed financial statements.

23. EVENTS AFTER THE REPORTING PERIOD

On 1 August 2011, the Group entered into a conditional equity transfer agreement to dispose of its property development project in Xingning, the PRC by way of the disposal of its 100% equity interest in and its loan to Luxegood Development Limited, a company incorporated in the BVI, for a cash consideration of HK\$323,170,000. Luxegood Development Limited together with its wholly owned subsidiary, Xingning Hong Long Property Development Company Limited* are engaged in property development.

* For identification purposes only

22. 或然負債(續)

- (e) 根據日期均為2008年1月31日的土地使用權購買協議及補充協議，倘本集團於2010年12月31日或之前未能完成於中國安徽省巢湖市的相關物業發展項目(「巢湖項目」)，賣方應按土地出讓金數額每日0.1%向本集團收取罰款。於2011年6月30日，本集團遇到施工進度延期，未能達到合同竣工日期。然而，截至本公佈日期，本集團尚未就上述事項收到賣方任何執行通知。根據過往經驗，董事認為，巢湖項目第一期將於2011年完成及本集團將不會就有關合同竣工日期延期受到任何處罰。因此，並無於本簡明財務報表作出撥備。
- (f) 於2011年6月30日，本集團就合共約人民幣14,651,000元之多項索償而面臨訴訟。根據所取得之法律意見，本公司董事認為本集團有合理的機會於該等索償中勝訴。因此，並無於本簡明財務報表作出撥備。

23. 報告期後事項

於2011年8月1日，本集團訂立一項有條件股權轉讓協議，以出售其於華佳發展有限公司(一間於英國處女群島註冊成立的公司)100%股權，現金代價為約323,170,000港元。華佳發展有限公司連同其全資附屬公司興寧市鴻隆房地產實業有限公司乃從事物業發展。

* 僅供識別

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES OR DEBENTURES

As at 30 June 2011, the interests of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (the "Associated Corporations") as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by directors of Listed Issuers (the "Model Code") were as follows:

董事於股份、相關股份或債券中 之權益

於2011年6月30日，董事於本公司或其任何相聯法團（按證券及期貨條例第XV部之涵義）（「相聯法團」）之股份、相關股份及債券中擁有根據證券及期貨條例第352條須存置之登記冊所記錄或根據上市發行人董事進行證券交易之標準守則（「標準守則」）而另行知會本公司及香港聯合交易所有限公司（「聯交所」）之權益如下：

Long position in the shares of the Company

於本公司股份之好倉

Name of Director	董事姓名	Number of shares		Number of underlying shares held under equity derivatives	Total	Percentage of aggregate interests to total number of shares in issue*
		Personal interests	Family interests			
		個人權益	家族權益	按股本衍生工具持有相關股份之數目	總計	佔已發行股份總數之百分比*
Mr. Zeng Yunshu	曾雲樞先生	3,773,023 ¹	-	-	3,773,023	0.31
Ms. Ye Qingdong	葉慶東女士	5,102,000 ¹	-	-	5,102,000	0.41
Mr. Zhang Yijun ²	張宜均先生 ²	11,162,791 ¹	12,837,209	-	24,000,000	1.95
Dr. Li Jun	李珺博士	-	-	1,000,000 ⁴	1,000,000	0.08
Mr. Cheung Ngai Lam	張毅林先生	-	-	1,000,000 ⁴	1,000,000	0.08
Mr. Ouyang Junxin ³	歐陽俊新先生 ³	2,104,000 ¹	-	-	2,104,000	0.17

Notes:

附註：

- This represents interests held by the relevant Director as beneficial owner.
- This represents (i) 11,162,791 shares held by Mr. Zhang Yijun and (ii) 12,837,209 shares held by his spouse.
- Mr. Ouyang Junxin resigned as Director of the Company on 31 July 2011.

- 此指由相關董事作為實益擁有人持有之權益。
- 此指 (i) 由張宜均先生持有之 11,162,791 股股份及 (ii) 由其配偶持有之 12,837,209 股股份。
- 歐陽俊新先生於 2011 年 7 月 31 日辭任董事一職。

Other Information

其他資料

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES OR DEBENTURES (CONTINUED)

Long position in the shares of the Company (Continued)

Notes (Continued):

4. This represents interests in options held by the relevant Director as a beneficial owner to subscribe for the relevant underlying shares granted by the Company under the Shares Option Scheme, details of which are set out in the section headed "Share Option".

* The percentage has been adjusted based on the total number of shares of the Company in issue as at 30 June 2011 (i.e. 1,230,671,384 shares).

Save as disclosed above, as at 30 June 2011, none of the Directors had any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its Associated Corporations which had been entered in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

As at 30 June 2011, the number of outstanding option shares granted by the Company under the Share Option Scheme to the Directors to subscribe for shares of the Company, as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code is set out in the section headed "Share Option" of this report below.

Apart from the aforesaid, at no time during the period was the Company, its subsidiaries, its fellow 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.

董事於股份、相關股份或債券中 之權益(續)

於本公司股份之好倉(續)

附註(續):

4. 此指由相關董事作為實益擁有人持有之認股權權益，可認購根據認股權計劃授予之相關股份，有關詳情載於「認股權」一節。

* 百分比已根據本公司於2011年6月30日已發行之股份總數(即1,230,671,384股)作出調整。

除上文所披露者外，於2011年6月30日，概無董事於本公司或其任何相聯法團之股份、相關股份或債券中擁有記入根據證券及期貨條例第352條所存置之登記冊或根據標準守則另行知會本公司及聯交所之任何其他權益或淡倉。

董事購買股份及債券的權利

於2011年6月30日，按照證券及期貨條例第352條須存置之登記冊所記錄或根據標準守則另行向本公司及聯交所知會，本公司根據認股權計劃授予可認購本公司股份之尚未行使認股權數目載於本報告下文「認股權」一節。

除上述外，期間內本公司、其附屬公司、其同系附屬公司或其控股公司概無訂立任何安排，致使董事可透過購買本公司股份或任何其他法團之股份而獲益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

主要股東於本公司股本之權益

As at 30 June 2011, the interests of those persons in the shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

於2011年6月30日，於本公司股份擁有根據證券及期貨條例第336條本公司須存置之登記冊所記錄之權益之該等人士如下：

Name 名稱	Capacity in which shares were held 於所持有股份之身份	Number of shares 股份數目	Number of underlying shares held under equity derivatives 按股本衍生 工具持有相關 股份之數目	Percentage of shares to total number of shares in issue* % 股份佔已發行股份 總數之百分比* %
Zeng Sheng ⁽¹⁾ 曾勝 ⁽¹⁾	Beneficial owner 實益擁有人	380,000 (L)	–	0.03%
	Interest of controlled corporation 受控公司權益	334,652,000 (L)	–	27.19%
Grand Prosperity ⁽¹⁾⁽³⁾	Beneficial owner 實益擁有人	334,652,000 (L)	–	27.19%
Sun Finance Co., Ltd. ⁽²⁾ (“Sun Finance”) 太陽國際財務有限公司 ⁽²⁾ (「太陽國際」)	Security interest 抵押權益	307,668,000 (L)	–	25%
Diamond Ocean Development Limited ⁽²⁾ (“Diamond Ocean”)	Beneficial owner 實益擁有人	307,668,000 (L)	–	25%
Green Auspice Limited ⁽³⁾ (“Green Auspice”)	Security interest 抵押權益	319,976,000 (L)	–	26%
Lehman Brothers Holdings Inc. ⁽⁴⁾ (“LB HLD”)	Interest of controlled corporation 受控公司權益	60,608,000 (L)	9,000,000 (L)	5.66%
CCB International (Holdings) Limited ⁽⁵⁾ (“CCBIL”)	Beneficial owner 實益擁有人	–	160,000,000 (L)	13.00%
		–	80,000,000 (S)	6.50%
	Interest of controlled corporation 受控公司權益	–	80,000,000 (L)	6.50%
CCB International Securities Limited (“CCBISL”)	Beneficial owner 實益擁有人	–	80,000,000 (L)	6.50%

L: Long Position 好倉

S: Short Position 淡倉

Other Information

其他資料

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARE CAPITAL OF THE COMPANY (CONTINUED)

Notes:

1. This represents interests held by Mr. Zeng Sheng (an ex-executive director of the Company) through Grand Prosperity, which holds 334,652,000 shares of the Company. Mr. Zeng Sheng has 80% interest in Grand Prosperity, he is therefore deemed to be interested in 334,652,000 shares of the Company.
 2. On 4 October 2010, Diamond Ocean has pledged 307,668,000 shares of the Company to Sun Finance, which is owned by Eminent Crest Holdings Ltd ("Eminent Crest") and Peak Stand Holdings Ltd ("Peak Stand") 47.5% interest and 47.5% interest, respectively. Eminent is wholly owned by Mr. Chau Cheuk Wa and Peak Stand is wholly owned by Mr. Cheng Ting Kong.
 3. On 4 October 2010, Grand Prosperity has pledged 319,976,000 shares of the Company to Green Auspice, which is wholly owned by Ms. Sou Sok Ngo.
 4. Lehman Brothers Commercial Corporation Asia Limited ("LBCCA"), which holds in total of 69,608,000 interests in the Company as beneficial owner, is owned 50% interests by each of LBCCA Holdings I LLC ("LBCCA I") and LBCCA Holdings II LLC ("LBCCA II"). Both LBCCA I and LBCCA II themselves are wholly owned by LB HLD and accordingly, the shares in which LBCCA are shown to be interested are also included in the shares in which LB HLD is shown to be interested. The number of shares held and underlying shares held under equity derivatives has been adjusted based on the information from LB HLD.
 5. This represents interests held by Central Huijin Investment Limited ("Central Huijin") through CCBIL and CCBISL. Central Huijin has 57.10% indirectly interest in CCBIL and CCBISL. Central Huijin therefore deemed to be interest in 240,000,000 shares (long position) and 80,000,000 shares (short position) of the Company, respectively.
- * The percentage has been adjusted based on the total number of shares of the Company in issue as at 30 June 2011 (i.e. 1,230,671,384 shares).

Save as disclosed above, as at 30 June 2011, the Company had not been notified of any interests and short positions in the shares and underlying shares of the Company which had been recorded in the register required to be kept under section 336 of the SFO.

主要股東於本公司股本之權益(續)

附註:

1. 此指由曾勝先生(本公司前執行董事)透過Grand Prosperity持有之權益,而Grand Prosperity持有334,652,000股本公司股份。曾勝先生擁有Grand Prosperity之80%權益,因而彼視為擁有334,652,000股本公司股份之權益。
 2. 於2010年10月4日, Diamond Ocean抵押307,668,000股本公司股份予太陽國際, Eminent Crest Holdings Ltd(「Eminent Crest」)及Peak Stand Holdings Ltd(「Peak Stand」)各自持有太陽國際47.5%權益。Eminent由周焯華先生全資持有。Peak Stand由鄭丁港先生全資持有。
 3. 於2010年10月4日, Grand Prosperity抵押319,976,000股本公司股份予(由蘇淑娥女士全資擁有)Green Auspice。
 4. Lehman Brothers Commercial Corporation Asia Limited(「LBCCA」)(作為實益擁有人持有本公司共69,608,000權益)由LBCCA Holdings I LLC(「LBCCA I」)及LBCCA Holdings II LLC(「LBCCA II」)各自擁有50%權益。LBCCA I及LBCCA II本身均由LB HLD全資擁有,因此, LBCCA所示擁有權益之股份亦計入LB HLD所示擁有權益之股份內。所持有之股份及根據股本衍生工具持有之相關股份之數目已按LB HLD提供之資料作出調整。
 5. 此指由中央滙金投資有限責任公司(「中央滙金」)通過CCBIL and CCBISL持有之權益。中央滙金擁有CCBIL and CCBISL之57.10%非直接權益,中央滙金因而被視為擁有240,000,000股(好倉)和80,000,000股(淡倉)之本公司權益。
- * 百分比已根據本公司於2011年6月30日已發行之股份總數(即1,230,671,384股)作出調整。

除上文所披露者外,於2011年6月30日,本公司並無獲知會於本公司股份及相關股份中擁有根據證券及期貨條例第336條須存置之登記冊所記錄之任何權益及淡倉。

SHARE OPTION

On 31 January 2007, in recognition of the contributions made by employees of the Group towards its growth and success, a share option scheme (the "Share Option Scheme") was adopted by the shareholder's written resolution of the Company.

The Listing Committee of Stock Exchange has granted the listing of, and permission to deal in the shares of the Company which may fall to be issued pursuant to the exercise of the options which granted and/or may be granted under the Share Option Scheme, subsequently.

As at 30 June 2011, a total of 36,935,000 share options were granted under the Share Option Scheme outstanding.

The following is a summary of the principal terms of the Share Option Scheme.

(a) Share Option Scheme

Purpose

Recognise and acknowledge the contributions that the grantees had made or may make to the Group.

Participants

Eligible participants include:

- (1) any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company ("Affiliate");

認股權

於2007年1月31日，為表彰本集團的僱員對其成長及成功所作出之貢獻，根據本公司之股東書面決議案，本公司亦採納一項認股權計劃（「認股權計劃」）。

聯交所上市委員會已批准因根據認股權計劃授出及／或可能授出之認股權獲行使而須予發行之本公司股份上市及買賣。

於2011年6月30日，共計36,935,000份認股權未獲行使，此乃根據認股權計劃授出之認股權。

以下乃認股權計劃之主要條款之概要。

(a) 認股權計劃

目的

表彰及感謝承授人過往或可能對本集團所作出之貢獻。

參與者

合資格參與者包括：

- (1) 本集團、本集團持有權益之公司或該公司附屬公司之任何董事、僱員、顧問、專業人員、客戶、供應商、代理、夥伴或諮詢人或承建商（「聯屬人」）；

Other Information

其他資料

SHARE OPTION (CONTINUED)

(a) Share Option Scheme (continued)

Participants (continued)

- (2) the trustee of any trust the beneficiary of which or a discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or
- (3) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.

Exercise Price

Determined by the Board and shall not be less than the higher of:

- (1) the nominal value of the share;
- (2) the closing price of (1) one share on the Stock Exchange at the offer date, which must be a trading day; and
- (3) the average closing price of the share on the Stock Exchange for the five business days immediately preceding the offer date.

Total number of shares available for issue and the percentage of the issued share capital that it represents as at the date of this interim report

104,025,000 shares, being approximately 8.45% of the issued share of the Company.

Maximum entitlement of each participant

Not exceeding 1% of the shares of the Company in issue in any 12-month period.

認股權 (續)

(a) 認股權計劃 (續)

參與者 (續)

- (2) 任何信託受託人之受益人或任何全權信託之全權對象，包括本集團或聯屬人之任何董事、僱員、顧問、專業人員、客戶、供應商、代理、夥伴、諮詢人或承建商；或
- (3) 本集團或聯屬人之任何董事、僱員、顧問、專業人員、客戶、供應商、代理、夥伴、諮詢人或承辦商所實益擁有之公司。

行使價

由董事會釐定，且不得低於以下之最高者：

- (1) 股份之面值；
- (2) 於授出日期(須為營業日)股份在聯交所之每股收市價；及
- (3) 緊接授出日期前五個營業日股份在聯交所之平均收市價。

可發行股份總數及於本中期報告日期佔已發行股份之百分比

104,025,000股股份，佔本公司已發行股份約8.45%。

每名參與者之最高配額

不超過於任何十二個月期間本公司已發行股份之1%。

SHARE OPTION (CONTINUED)

(a) Share Option Scheme (continued)

Period within which the securities must be taken up under the option

Subject to the discretion by the Board and, in the absence of which, from the date of acceptance to the earlier of the date on which such option lapses and 10 years from the date of offer.

Minimum period for which an option must be held before it can be exercised

Subject to the discretion by the Board.

Amount payable on acceptance

HK\$10.00 payable upon acceptance of the offer.

Period within which calls/loans must be made/repaid

Not applicable.

Remaining life of the scheme

The scheme will be valid and effective until 31 January 2017, after which no further options will be granted but the provisions of the scheme shall remain in full force and effect in all other aspects. Options complying with the provisions of the Listing Rules which are granted during the duration of the scheme and remain unexercised immediately prior to 31 January 2017 shall continue to be exercisable in accordance with their terms of grant, notwithstanding the expiry of the scheme.

認股權 (續)

(a) 認股權計劃 (續)

根據認股權認購證券之期限

由董事會酌情釐定，而如並無釐定，由接納日期起至有關認股權失效之日及由授出日期起計滿十年(以較早發生者為準)。

認股權行使前必須持有之最短期限

由董事會酌情釐定。

接納時應付金額

於接納時應付港幣 10.00 元。

付款金額/貸款須作出/償還之期限

不適用。

該計劃之餘下年期

該計劃將生效及有效直至2017年1月31日，此後將不會授出任何認股權，但該計劃之條文於所有其他方面將維持十足效力及有效。於該計劃期內授出且於緊接2017年1月31日前仍未獲行使但符合上市規則條文之認股權，將可繼續根據彼等之授出條款予以行使，儘管該計劃之期限已屆滿。

Other Information

其他資料

SHARE OPTION (CONTINUED)

(b) Movements of the Share Option Scheme

Movements of the share options, which were granted under the Share Option Scheme, during the six months ended 30 June 2011 are listed below in accordance with rule 17.07 of the Listing Rules:

Category	類別	Date of grant 授出日期	As at 於 01.01.2011	During the period 期內			As at 於 30.6.2011	Exercise price 行使價 HK\$ 港元	Exercise period 行使期
				Granted 已授出	Exercised 已行使	Lapsed/ cancelled 已失效/ 已註銷			
Directors	董事								
Dr. Li Jun	李珺博士	15.05.2007	1,000,000	-	-	-	1,000,000	1.84	15.11.2007- 14.05.2017
Mr. Cheung Ngai Lam	張毅林先生	15.05.2007	1,000,000	-	-	-	1,000,000	1.84	15.11.2007- 14.05.2017
Continuous Contract Employees	持續合約僱員								
		15.05.2007	12,935,000	-	-	-	12,935,000	1.84	15.11.2007- 14.05.2017
		10.10.2007	1,000,000	-	-	-	1,000,000	2.99	10.04.2008- 09.10.2017
Consultants	顧問								
		15.05.2007	13,000,000	-	-	-	13,000,000	1.84	15.11.2007- 14.05.2017
		13.02.2008	8,000,000	-	-	-	8,000,000	1.70	13.08.2008- 12.08.2018
Total	總計		36,935,000	-	-	-	36,935,000		

Notes:

- The vesting period for all the options granted is six months from the date of acceptance of the offer.
- The exercise price of the share options is subject to the adjustment in case of right or bonus issues, or other similar changes in the Company's share capital.
- When the share options are lapsed or cancelled, the amount previously recognised in capital reserve will be transferred to retained profits.

附註：

- 所有已授出認股權之歸屬期為由接納授出日期起計六個月。
- 認股權之行使價將因應供股或發行紅股或本公司股本之其他類似變動而作出調整。
- 當認股權已失效或被註銷，早前於資本儲備確認之數額將轉撥至保留溢利。

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

During the six months ended 30 June 2011, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed shares of the Company.

CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the Code of Corporate Governance Practices, as amended from time to time (the "Code"), as stated in Appendix 14 to the Listing Rules. As far as the Code is concerned, the Company complies with all aspects of the Code during the six months ended 30 June 2011 and up to the date of the interim report save for certain deviation from the Code in respect of A.2.1. that Mr. Zhang Yijun, the ex-chief executive officer and an ex-executive director of the Company, has been re-designated as non-executive director of the Company since 31 January 2011. The nomination committee of the Company is now in the process of reviewing and selecting candidates to the Board for consideration.

The role of the chief executive officer of the Company are now being shared among the members of the Board, which meets regularly to consider major matters affecting the operations of the Company. The Board considered that this structure does not impair the balance of power and authority between the Board and the management of the Company and believes that this structure enables the Group to make and implement decision promptly and efficiently.

AUDIT COMMITTEE

The Audit Committee has reviewed the unaudited condensed financial statements for the six months ended 30 June 2011.

REMUNERATION COMMITTEE

The Company has established a Remuneration Committee with written terms of reference to set out its authority and duties. The Remuneration Committee comprises three independent non-executive directors and one executive director.

購入、出售或贖回本公司之上市股份

截至2011年6月30日止六個月內，本公司及其任何附屬公司概無購入、出售或贖回任何本公司之上市股份。

企業管治

本公司已採納上市規則附錄十四所載的企業管治常規守則(經不時修訂)(「守則」)的守則條文。就所涉及的守則而言，本公司於截至2011年6月30日止六個月及直至本中期報告日期已遵守守則的所有方面，惟有關第A.2.1條偏離若干守則。本公司前行政總裁兼前執行董事張宜均先生自2011年1月31日調任本公司之非執行董事。本公司提名委員會現正檢討及甄選人選供董事會審議。

本公司行政總裁的角色現由董事會成員共同分擔。董事會定時召開會議以審議影響本公司營運的重大事宜。董事會認為此架構不會損害董事會與管理層之間的權力與授權的平衡，並相信此架構可令本集團迅速及有效地作出和實施決策。

審核委員會

審核委員會已審閱截至2011年6月30日止六個月之未經審核簡明財務報表。

薪酬委員會

本公司已成立薪酬委員會，並已制訂其書面職權範圍，以界定其權限與職責。薪酬委員會由三名獨立非執行董事及一名執行董事組成。

Other Information

其他資料

NOMINATION COMMITTEE

The Company has established a Nomination Committee with terms of reference to set out its authority and duties. The Nomination Committee comprises three members, being all independent non-executive directors of the Company.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers, as amended from time to time (the "Model Code"), set out in Appendix 10 to the Listing Rules as its code of conduct regarding securities transactions of the directors of the Company. On specific enquiries made, all directors have confirmed that they have complied with the required standard as set out in the Model Code during the six months ended 30 June 2011.

Employees who are likely to be in possession of unpublished price sensitive information of the Company are also subject to compliance with guidelines on no less exacting terms than the Model Code.

APPROVAL OF INTERIM REPORT

The interim report were approved and authorised for issue by the Board on 29 August 2011.

提名委員會

本公司已成立提名委員會，並已制訂其書面職權範圍，以界定其權限與職責。提名委員會由三名成員組成，其均為獨立非執行董事。

董事進行證券交易守則

本公司已採納上市規則附錄十所載列的上市發行人董事進行證券交易的標準守則（經不時修訂）（「標準守則」），作為本公司董事進行證券交易時的操守準則。經明確查詢後，全體董事已確認彼等於截至2011年6月30日止六個月內一直遵守標準守則所載的規定。

可能管有本公司非公開價格敏感資料之僱員，亦遵守不遜於標準守則之指引。

中期報告的核准

本中期報告經董事會於2011年8月29日核准及授權刊發。



鴻隆控股
HONG LONG
Holdings