大中華地產控股有限公司
GREAT CHINA PROPERTIES HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 21)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

The Board of Directors (the "Board") of Great China Properties Holdings Limited (formerly known as Waytung Global Group Limited) (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2012 together with the comparative figures for the corresponding period in 2011 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2012

	Notes	**2012** **HK$'000**	2011 *HK$'000*
Turnover	*3*	**13,008**	15,671
Change in fair value of held for trading investments		**108**	(173)
Change in fair value of investment properties		**(4,598)**	(1,715)
Impairment loss recognised on goodwill		**–**	(14,118)
Net loss on disposal of held for trading investments		**(3)**	–
Gain from bargain purchase on business combination		**803**	–
Other operating income		**45**	94
Selling and distribution expenses		**(136)**	–
Administrative and operating expenses		**(19,309)**	(21,791)
Loss before taxation	*5*	**(10,082)**	(22,032)
Taxation	*6*	**17**	(1,160)
Loss for the year		**(10,065)**	(23,192)
Attributable to:			
Owners of the Company		**(10,065)**	(23,191)
Non-controlling interests		**–**	(1)
		(10,065)	(23,192)
			(Restated)
Loss per share — basic and diluted	*8*	**(0.85) HKcents**	(2.34) HKcents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *(Continued)*
For the year ended 31 December 2012

	2012	2011
	HK$'000	*HK$'000*
Loss for the year	**(10,065)**	(23,192)
Other comprehensive income:		
Exchange differences arising on translation of foreign subsidiaries	**3,215**	9,858
Total comprehensive loss for the year	**(6,850)**	(13,334)
Attributable to:		
Owners of the Company	**(6,850)**	(13,333)
Non-controlling interests	**–**	(1)
	(6,850)	(13,334)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2012

	Notes	**2012** **HK$'000**	2011 *HK$'000*
Non-current assets			
Property, plant and equipment		**3,305**	3,369
Investment properties	*9*	**231,822**	104,280
Goodwill		**–**	–
Properties under development	*10*	**73,826**	–
Prepayment for acquisition of plant and equipment		**662**	656
Prepayment for investment properties under development		**38,903**	38,612
Prepayment for acquisition of a subsidiary		**108,641**	82,898
Prepaid lease payment		**84**	198
		457,243	230,013
Current assets			
Completed properties held for sale	*11*	**195,544**	–
Trade receivables	*12*	**2,009**	–
Other receivables	*13*	**32,387**	5,209
Held for trading investments		**768**	668
Bank balances and cash		**22,955**	85,000
		253,663	90,877
Current liabilities			
Trade payables	*14*	**31,908**	–
Other payables, deposit received and accrued charges	*15*	**57,973**	20,867
Amounts due to related companies	*16*	**65,905**	–
Amount due to a director	*17*	**51,237**	–
Tax liabilities		**–**	50
		207,023	20,917
Net current assets		**46,640**	69,960
Total assets less current liabilities		**503,883**	299,973

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*
As at 31 December 2012

	Notes	**2012** **HK$'000**	2011 *HK$'000*
Capital and reserves			
Share capital	*18*	**15,628**	463,827
Share premium and reserves		**375,457**	(178,781)
Total equity attributable to owners of the Company		**391,085**	285,046
Non-controlling interests		**(1)**	(1)
		391,084	285,045
Non-current liabilities			
Amounts due to related companies	*16*	**56,515**	–
Deferred tax liabilities		**56,284**	14,928
		112,799	14,928
		503,883	299,973

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2012

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountant ("HKICPA"). In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain investment properties and certain financial instruments that are measured at fair value.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised standards, amendments to standards and interpretations ("new and revised HKFRSs") issued by the HKICPA.

HKAS 12 (Amendment)	Deferred Tax — Recovery of Underlying Assets
HKFRS 1 (Amendment)	Severe Hyperinflation and Removal of Fixed Dates For First-time Adopters
HKFRS 7 (Amendments)	Disclosures — Transfers of Financial Assets

The adoption of the new and revised HKFRSs has not had any material impact on the amounts reported in the financial statements of the Group and the Company for the current or prior accounting periods.

Amendments to HKAS 12 Deferred Tax — Recovery of Underlying assets

HKAS 12 (Amendment) 'Deferred tax — Recovery of underlying assets' introduces an exception to the principle for the measurement of deferred tax assets or liabilities arising on an investment property measured at fair value. HKAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. The amendment introduces a rebuttable presumption that an investment property measured at fair value is recovered entirely by sale. The amendment is applicable retrospectively to annual periods beginning on or after 1 January 2012 with early adoption permitted. This amendment did not have a material impact on the Group's financial statements.

HKFRS 1 (Amendments) Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters

HKFRS 1 (Amendments) introduce a new deemed cost exemption for entities that have been subject to severe hyperinflation, whereby these entities can elect fair value as the deemed cost for assets and liabilities affected by severe hyperinflation in their first HKFRS financial statements. The amendments also remove the legacy fixed dates in HKFRS 1 relating to derecognition and day one gain or loss transactions. As the Group is not a first time adopter of HKFRSs, the amendments have no financial impact on the Group.

Amendments to HKFRS 7 Disclosures — Transfers of Financial Assets

HKFRS 7 (Amendments) 'Disclosures — Transfers of financial assets' introduces new disclosure requirement on transfer of financial assets. Disclosure is required by class if asset of the nature, carrying amount and a description of the risks and rewards of financial assets that have been transferred to another party yet remain on the entity's balance sheet. The gain or loss on the transferred assets and any retained interest in those assets must be given. In addition, other disclosures must enable users to understand the amount of any associated liabilities, and the relationship between the financial assets and associated liabilities. The disclosures must be presented by type of ongoing involvement. The amendment is applicable to annual periods beginning on or after 1 July 2011 with early adoption permitted. This amendment did not have a material impact on the Group's financial statements.

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective.

HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income[1]
HKAS 19 (Revised in 2011)	Employee Benefits[2]
HKAS 27 (Revised in 2011)	Separate Financial Statements[2]
HKAS 28 (Revised in 2011)	Investments in Associates and Joint Ventures[2]
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities[3]
HKFRS (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle Issued in June 2012[2]
HKFRS 1 (Amendments)	Government Loans[2]
HKFRS 7 (Amendments)	Disclosures — Offsetting Financial Assets and Financial Liabilities[2]
HKFRS 7 and HKFRS 9 (Amendment)	Mandatory effective date of HKFRS 9 and transition disclosures[4]
HKFRS 10, HKFRS 12 and HKAS 27 (2011) (Amendments)	Consolidated Financial Statements, Disclosure of Interests in Other Entities, Separate Financial Statements: Investment Entities[3]
HKFRS 9	Financial Instruments[4]
HKFRS 10	Consolidated Financial Statements[2]
HKFRS 11	Joint Arrangement[2]
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements Disclosure of Interests in Other Entities: Transition Guidance[2]
HKFRS 12	Disclosure of Interests in Other Entities[2]
HKFRS 13	Fair Value Measurement[2]
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine[2]

1 Effective for annual periods beginning on or after 1st July 2012
2 Effective for annual periods beginning on or after 1st January 2013
3 Effective for annual periods beginning on or after 1st January 2014
4 Effective for annual periods beginning on or after 1st January 2015

HKAS 1 (Amendments) Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 clarify the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative period is the previous period. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the previous period. The additional comparative information does not need to contain a complete set of financial statements.

In addition, the amendment clarifies that the opening statement of financial position at the beginning of the preceding period must be presented when an entity changes its accounting policies; makes retrospective restatements or makes reclassifications, and that change has a material effect on the statement of financial position. However, the related notes to the opening statement of financial position at the beginning of the preceding period are not required to be presented.

HKAS 19 Employee Benefits

The amendment to HKAS 19 includes the range from fundamental changes to simple clarifications and re-wording. The revised standard introduces significant changes in the accounting for defined benefit pension plans including removing the choice to defer the recognition of actuarial gains and losses. Other changes include modifications to the timing of recognition for termination benefits, the classification of short-term employee benefits and disclosures of defined benefit plans. The Group expects to adopt HKAS 19 from 1 January 2013. The application of this new standard is unlikely to have any material financial impact on the Group.

HKAS 32 (Amendments) and HKFRS 7 (Amendments) Offsetting Financial Assets and Financial Liabilities and the related disclosures

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realisation and settlement". The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 January 2014.

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirement) for financial instruments under an enforceable master netting agreement or similar arrangement. The Group expects to adopt the amendments from 1 January 2013. The application of the amendments is unlikely to have any material financial impact on the Group.

HKFRSs (Amendments) Annual Improvements to HKFRSs 2009–2011 Cycle except for the amendments to HKAS 1

The Annual Improvement to HKFRSs 2009-2011 Cycle includes a number of amendments to various HKFRSs. The amendments are effective for annual period beginning on or after 1 January 2013. Amendments to HKFRSs include:

HKAS 16 (Amendments) Property, Plant and Equipment

The amendments to HKAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in HKAS 16 and as inventory otherwise. The Directors do not anticipate that the amendments to HKAS 16 will have a significant effect on the Group's consolidated financial statement.

HKAS 32 (Amendments) Financial Instruments: Presentation

The amendments to HKAS 32 clarify that income tax on distributions to holders of an equity instrument and transaction costs of an equity transaction should be accounted for in accordance with HKAS 12 "Income Taxes". The amendment removes existing income tax requirements from HKAS 32 and requires entities to apply the requirements in HKAS 12 to any income tax arising from distributions to equity holders.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirement of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKAS 39 "Financial Instruments: Recognition and Measurement" to be subsequently measured at amortised cost or fair value. Specially, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent reporting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entity may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of change in the fair value of the financial liability designated as at fair value through profit or loss is presented in profit or loss.

HKFRS 9 is effective for annual period beginning on or after 1 January 2015, with earlier application permitted. The application of HKFRS 9 might affect the classification, measurement and presentation of the Group's financial assets and financial liabilities.

New and revised standards on consolidated, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (revised) and HKAS 28 (revised).

Key requirements of these five standards are described below:

HKFRS 10 replaces the parts of HKAS 27 "Consolidated and Separate Financial Statements" that deal with consolidated financial statements. HK (SIC)-Int 12 "Consolidation — Special Purpose Entities" will be withdraw upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 "Interests in Joint Ventures". HK FRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK (SIC)-Int 13 "Jointly Controlled Entities — Non-monetary Contributions by Venturers" will be withdrawn upon the effective date of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint venture depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate consolidation.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance in HKFRS 10 on the application of these five HKFRSs for the first time.

The amendments to HKFRS 10 issued in December 2012 include a definition of an investment entity and provide an exception to the consolidation requirement for entities that meet the definition of an investment entity. Investment entities are required to account for subsidiaries at fair value through profit or loss in accordance with HKFRS 9, rather than consolidate them. Consequential amendments were made to HKFRS 12 and HKAS 27. The amendments to HKFRS 12 also set out the disclosure requirements for investment entities.

Consequential amendments were made to HKAS 27 and HKAS 28 as a result of the issuance of HKFRS 10, HKFRS 11 and HKFRS 12. The Group expects to adopt HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (revised) and HKAS 28 (revised), together with the subsequent amendments to these standards issued in July and December 2012, from 1 January 2013.

The Directors do not anticipate that the amendments will have a significant effect on the Group's consolidated financial statement.

HKFRS 13 Fair Value Measurement

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad, it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013. The application of this new standard is unlikely to have any material financial impact on the Group.

HK(IFRIC)-Int 20 Stripping Costs in the Production Phase of a Surface Mine

HK(IFRIC)-Int 20 applies to waste removal costs that are incurred in surface mining activity during the production phase of the mine (production stripping costs). Under the Interpretation the costs from this waste removal activity (stripping) which provide improved access to ore is recognised as a noncurrent asset (stripping activity asset) when certain criteria are met, whereas the costs of normal ongoing operational stripping activities are accounted for in accordance with HKAS 2 "Inventories". The stripping activity asset is accounted for as an addition to, or as an enhancement of, an existing asset and classified as tangible or intangible according to the nature of the existing asset of which it forms part.

HK(IFRIC)-Int 20 is effective for annual period beginning on or after 1 January 2013. Specific transitional provision are provided to entities that apply HK(IFRIC)-Int 12 for the first time. The application of this new standard will have no effect to the Group's financial statements as the Group does not engage in such activities.

The directors of the Company has commenced their assessment of the impact of the above new and revised standards, amendments and interpretations, but it is not yet in a position to state whether these new and revised standards, amendments and interpretations would have a material impact on the results and the financial position of the Group.

3. TURNOVER

	2012	2011
	HK$'000	*HK$'000*
Rental income	**13,008**	15,671

4. SEGMENT INFORMATION

Information reported to the board of directors of the Company, being the chief operating decision maker, for the purposes of allocating resources to segments and assessing their performance focuses on the nature of business.

The accounting policies of the reportable segment are the same as the Group's accounting policies. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of segment profit/(loss). The segment profit/(loss) is measured consistently with the Group's profit/(loss) except that bank interest income, central administration costs including directors' salaries under the heading of unallocated corporate expenses and other operating income are excluded from such measurement. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

For management purposes, the Group's reportable segment is as follows:

Property development and investment:

Development of properties for sale or investment in properties to generate rental income.

Segment revenue and results

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

For the year ended 31 December 2012:

	Property development and investment *HK$'000*
Segment revenue	**13,008**
Segment loss	**(981)**
Unallocated other operating income	**153**
Unallocated expenses	**(9,254)**
Loss before taxation	**(10,082)**

For the year ended 31 December 2011:

	Property development and investment *HK$'000*
Segment revenue	15,671
Segment loss	(13,482)
Unallocated other operating income	25
Unallocated expenses	(8,575)
Loss before taxation	(22,032)

Segment revenue represents revenue generated from external customers. There were no inter-segment sales in the current year (2011: Nil).

Segment assets and liabilities

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

Segment assets

	2012	2011
	HK$'000	*HK$'000*
Property development and investment	**684,636**	233,942
Total segment assets	**684,636**	233,942
Unallocated assets	**26,270**	86,948
Consolidated assets	**710,906**	320,890

Segment liabilities

	2012	2011
	HK$'000	*HK$'000*
Property development and investment	**260,349**	17,814
Total segment liabilities	**260,349**	17,814
Unallocated liabilities	**59,473**	18,031
Consolidated liabilities	**319,822**	35,845

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than unallocated assets including bank balances and cash and other corporate assets; and
- all liabilities are allocated to reportable segments other than unallocated liabilities including income tax liabilities, deferred tax liabilities and certain head office and other corporate liabilities.

Other segment information

For the year ended 31 December 2012:

	Property development and investment *HK$'000*	**Unallocated** *HK$'000*	**Total** *HK$'000*
Amounts included in the measure of segment profit or loss or segment assets:			
Additions to non-current assets	**155,878**	**853**	**156,731**
Depreciation of property, plant and equipment	**866**	**251**	**1,117**
Gain from bargain purchase on business combination	**803**	**–**	**803**
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:			
Interest income	**–**	**16**	**16**
Income tax expense	**(17)**	**–**	**(17)**

For the year ended 31 December 2011:

	Property development and investment *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Amounts included in the measure of segment profit or loss or segment assets:			
Additions to non-current assets	86,907	205	87,112
Depreciation of property, plant and equipment	1,168	249	1,417
Impairment loss recognised on goodwill	14,118	–	14,118
Loss on disposal of property, plant and equipment	5	1	6
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:			
Interest income	–	10	10
Income tax expense	1,160	–	1,160

Geographical information

The Group operates in two principal geographical areas — The People's Republic of China (excluding Hong Kong) (the "PRC") and Hong Kong.

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets is presented based on the geographical of the assets.

	Revenue from external customers		Non-current assets	
	2012	2011	**2012**	2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
The PRC	**13,008**	15,671	**456,781**	229,153
Hong Kong	**–**	–	**462**	860
	13,008	15,671	**457,243**	230,013

Information about major customers

Revenue of approximately HK$12,890,000 (2011: HK$15,671,000), attributable to property development and investment segment, is derived from a single external customer.

Certain comparative figures have been represented to conform with the change of resources allocation in the current year.

5. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging (crediting):

	2012	2011
	HK$'000	*HK$'000*
Directors' remuneration	**1,192**	1,172
Other staff costs	**3,981**	5,157
Retirement benefit scheme contributions (excluding directors)	**399**	386
Total staff costs	**5,572**	6,715
Auditor's remuneration	**551**	457
Depreciation of property, plant and equipment	**1,117**	1,417
Impairment loss recognised on goodwill	**–**	14,118
Loss on disposal of property, plant and equipment	**–**	6
Gain from bargain purchase on business combination	**(803)**	–
Minimum lease rentals in respect of rented premises	**2,746**	2,274
Net foreign exchange (gain) loss	**(6)**	566
Dividend income from held for trading investments	**(23)**	(21)
Interest income	**(16)**	(10)
Gross rental income from investment properties	**(13,008)**	(15,671)
Direct operating expenses for investment properties that generated rental income during the year	**1,974**	2,267
	(11,034)	(13,404)

6. TAXATION

	2012	2011
	HK$'000	*HK$'000*
Current tax:		
Hong Kong Profits Tax		
— provision for the year	**1,144**	1,589
— over-provision in prior years	**(12)**	–
	1,132	1,589
Deferred taxation	**(1,149)**	(429)
	(17)	1,160

Hong Kong Profits Tax is calculated at 16.5% (2011: 16.5%) of the estimated assessable profit for the year.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% (2011: 25%).

7. DIVIDEND

No dividend was paid or proposed during the year ended 31 December 2012, nor has any dividend been proposed since the end of the reporting period (2011: Nil).

8. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following data:

	2012	2011
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company for the purpose of basic loss per share	**(10,065)**	(23,191)
	'000	*'000* (Restated)
Weighted average number of ordinary shares for the purpose of basic loss per share	**1,179,397**	992,678

Diluted loss per share is same as the basic loss per share as there were no potential dilutive ordinary shares outstanding during both years.

For the year ended 31 December 2011, the weighted average number of ordinary shares for the purpose of basic and diluted loss per share was restated to approximately 992,678,000 to reflect the effect of the rights issue on 18 July 2011. (The originally stated weighted average number of ordinary shares for the purpose of basic and diluted loss per share was approximately 949,892,000.)

9. INVESTMENT PROPERTIES

THE GROUP

	Note	Investment properties completed (at fair value) HK$'000	Investment properties under development (at cost) HK$'000	Total HK$'000
At 1 January 2011		86,348	7,422	93,770
Additions		–	7,106	7,106
Exchange alignment		4,741	378	5,119
Net decrease in fair value recognised in profit or loss		(1,715)	–	(1,715)
At 31 December 2011		89,374	14,906	104,280
At 1 January 2012		89,374	14,906	104,280
Additions		–	780	780
Exchange alignment		625	121	746
Acquired on acquisition of subsidiaries	*19*	130,614	–	130,614
Net decrease in fair value recognised in profit or loss		(4,598)	–	(4,598)
At 31 December 2012		**216,015**	**15,807**	**231,822**

10. PROPERTIES UNDER DEVELOPMENT

THE GROUP

	2012 ***HK$'000***	2011 *HK$'000*
Properties under development expected to be completed:		
Normal operating cycle beyond one year included under non-current assets	**73,826**	–

The properties under development are located in the PRC.

11. COMPLETED PROPERTIES HELD FOR SALE

THE GROUP

	Note	**2012** ***HK$'000***	2011 *HK$'000*
Completed properties held for sale, at cost	*19*	**195,544**	–

The completed properties held for sale are located in the PRC.

12. TRADE RECEIVABLES

THE GROUP

	2012	2011
	HK$'000	*HK$'000*
Trade receivables	**2,009**	–

Trade receivables are derived from (i) sales of properties, consideration are paid in accordance with the terms of sale and purchase agreements; and (ii) leases of properties, rentals are paid in accordance with terms of rental agreement. There are basically no credit terms for the sales of properties and the leases of properties business.

The aging analysis of trade receivables was as follows:

	2012	2011
	HK$'000	*HK$'000*
0–30 days	**9**	–
31–60 days	**9**	–
61–90 days	**9**	–
Over 90 days	**1,982**	–
	2,009	–

13. OTHER RECEIVABLES

THE GROUP

	2012	2011
	HK$'000	*HK$'000*
Deposits paid	**15,201**	485
Other receivables	**16,010**	4,119
Other prepayments	**1,176**	605
Allowance for bad and doubtful debts	**–**	–
	32,387	5,209

14. TRADE PAYABLES

THE GROUP

	2012	2011
	HK$'000	*HK$'000*
Trade payables	**31,908**	–

The aging analysis of trade payables was as follows:

	2012	2011
	HK$'000	*HK$'000*
0–30 days	**–**	–
31–60 days	**–**	–
61–90 days	**–**	–
Over 90 days	**31,908**	–
	31,908	–

15. OTHER PAYABLES, DEPOSIT RECEIVED AND ACCRUED CHARGES

THE GROUP

	2012	2011
	HK$'000	*HK$'000*
Deposit received	**1,222**	1,141
Receipts in advance	**30,792**	–
Other payables and accrued charges	**25,959**	19,726
	57,973	20,867

16. AMOUNTS DUE TO RELATED COMPANIES

As at 31 December 2012, a total amount of approximately HK$65,905,000 was unsecured, non-interest bearing and repayable on demand, and a total amount of approximately HK$56,515,000 was unsecured, non-interest bearing and will be repayable after one year. Related companies represent companies in which Mr. Huang has share interests and/or directorships and over which Mr. Huang is able to exercise control.

17. AMOUNT DUE TO A DIRECTOR

The amount is unsecured, non-interest bearing and repayable on demand.

18. SHARE CAPITAL

	Number of shares		Share capital	
	2012	2011	**2012**	2011
	'000	*'000*	***HK$'000***	*HK$'000*
Ordinary shares of HK$0.01 each (2011: HK$0.4 each)				
Authorised				
At beginning of year	**2,500,000**	2,500,000	**1,000,000**	1,000,000
Capital reduction *(note (ii)(a))*	**–**	–	**(975,000)**	–
Capital increase *(note (iii))*	**17,500,000**	–	**175,000**	–
At end of year	**20,000,000**	2,500,000	**200,000**	1,000,000
Issued and fully paid				
At beginning of year	**1,159,567**	773,045	**463,827**	309,218
Rights shares issued *(note (i))*	**–**	386,522	**–**	154,609
Capital reduction *(note (ii)(b))*	**–**	–	**(452,231)**	–
Issue of shares in respect of acquisition of subsidiaries *(note (iv))*	**403,203**	–	**4,032**	–
At end of year	**1,562,770**	1,159,567	**15,628**	463,827

Notes:

(i) On 18 July 2011, 386,522,400 rights shares were issued, on the basis of one rights share for every two existing shares held on the record date, to the qualifying shareholders at a subscription price of HK$0.40 per rights share. The rights shares rank pari passu in all respects with the then existing shares of the Company. Details of which were set out in the prospectus of the Company dated 21 June 2011.

(ii) By virtue of the special resolution passed at the extraordinary general meeting of the Company held on 20 August 2012 with the sanction of an Order of the High Court dated 5 December 2012 (the "Capital Reduction"):

(a) under the Capital Reduction, the authorised share capital of the Company was reduced from HK$1,000,000,000 divided into 2,500,000,000 shares of HK$0.40 each to HK$25,000,000 divided into 2,500,000,000 shares of HK$0.01 each.

(b) under the Capital Reduction, the issued share capital of the Company was reduced from approximately HK$463,827,000 divided into 1,159,567,200 shares of HK$0.40 each to approximately HK$11,596,000 divided into 1,159,567,200 shares of HK$0.01 each.

(iii) Upon completion of the Capital Reduction, the authorised share capital of the Company was increased from HK$25,000,000 divided into 2,500,000,000 shares to HK$200,000,000 divided into 20,000,000,000 shares by the creation of an additional 17,500,000,000 new shares at a nominal value of HK$0.01 each on 10 December 2012.

(iv) On 14 December 2012, 403,203,504 consideration shares were issued and allotted and were recognised at fair value on completion of acquisition of the Guo Rong Group.

19. BUSINESS COMBINATION

On 14 December 2012, the Group completed the acquisition of the entire equity interest in Guo Rong Limited ("Guo Rong") and its wholly own subsidiaries (the "Guo Rong Group"). The consideration for such acquisition was to be satisfied by (i) paying HK$5,000,000 in cash; (ii) issuing and allotting 403,203,504 consideration shares; and (iii) issuing a promissory note with principal amount of HK$197,259,299 (before downward adjustment) no later than the first anniversary of completion of the acquisition. The acquisition had been accounted for using the acquisition method.

	HK$'000
Fair value of consideration transferred	111,621

The fair value of total consideration transferred is approximately HK$111,621,000 which includes (i) a sum of HK$5,000,000 in cash; (ii) the fair value of the 403,203,504 ordinary shares issued by the Company determined using the open market price of the Company's shares on 14 December 2012 at HK$0.28 per share (being a sum of approximately HK$112,897,000); and (iii) in respect of the acquisition of the entire equity interest in Guo Rong, the consideration for the acquisition of Guo Rong is subject to downward adjustment before issuing the promissory note, details of which are set out in the Company's circular dated 25 July 2012, the downward adjustment resulted in an amount of approximately HK$6,276,000 which the vendor would repay (without interest) in cash to the purchaser within 30 days of receipt of the adjustment notice issued by the purchaser.

A gain from bargain purchase arising from the acquisition of the Guo Rong Group was recognised at approximately HK$803,000 which was mainly attributable to fair value gains on properties during the period between the dates of the sale and purchase agreement and of completion. The amount which was recognised to the consolidated statement of comprehensive income was arising from the difference between (a) the fair value of the consideration transferred of approximately HK$111,621,000; and (b) the acquisition-date fair value of identifiable net assets acquired of approximately HK$112,424,000. Details of the acquisition were set out in the Company's announcements dated 14 June 2012, 14 December 2012 and circular dated 25 July 2012.

Acquisition-related costs amounting to approximately HK$3,639,000 have been excluded from the consideration transferred and have been recognised as expenses in the period they were incurred within the administrative and operating expenses in the consolidated statement of comprehensive income.

Assets acquired and liabilities recognised at the completion date of acquisition are as follows:

	Fair value *HK$'000*
Property, plant and equipment	129
Investment properties	130,614
Completed properties held for sale	195,544
Trade receivables	2,025
Other receivables	10,501
Bank balances and cash	7,025
Trade payables	(32,382)
Other payables, deposit received and accrued charges	(37,086)
Amounts due to related companies	(121,541)
Deferred tax liabilities	(42,405)
	112,424

Gain from bargain purchase arising on acquisition of the Guo Rong Group

	HK$'000
Fair value of net assets acquired	112,424
Less: Consideration transferred	111,621
Gain from bargain purchase	803

At the completion date of acquisition and as at 31 December 2012 Guo Rong Group has contingent liabilities of approximately HK$991,000 and HK$1,015,000 respectively, details of which is set out in note 20.

20. CONTINGENT LIABILITIES

A subsidiary of the Group/the Guo Rong Group (the "Subsidiary") has entered into sale and purchase agreements with certain buyers in respect of sale of properties. Pursuant to the terms of each agreement, the Subsidiary is liable to make a compensation payment to the buyer, upon default in the delivery of property to the buyer on a specific date, calculated in accordance with the terms stated in the agreement.

As at 31 December 2012, 23 buyers, who did not agree the compensation amount provided by the Subsidiary, had taken legal actions to demand a higher compensation, approximately HK$1,814,000 in aggregate, above the amount calculated in accordance with the relevant sale and purchase agreements as the Subsidiary was not able to deliver the properties.

Up to the date of this announcement, the outcome of the claims is still uncertain. However, according to the legal opinion provided by 廣東晟典律師事務所 (SD & Partners*) to the Company, the amount of compensation, which was calculated in accordance with the terms of the sale and purchase agreements, should be approximately HK$1,015,000. Furthermore, the directors of the Company consider that the amount of the compensation is unlikely to be higher than that requested by those 23 buyers.

The directors of the Company consider it is premature and not practical to draw a conclusion of the outcome of the claims and of the ultimate liability, if any, which is not expected to have a material adverse impact on the Group's financial position. Therefore, only an amount of approximately HK$1,015,000 (2011: Nil) is provided for and included in other payables and accrued charges, no further provision was made after 31 December 2012.

The Group had no other significant contingent liabilities as at 31 December 2012.

21. EVENTS AFTER THE REPORTING PERIOD

(a) On 16 January 2013, the Board proposed change the name of the Company from "Waytung Global Group Limited (滙通天下集團有限公司)" to "Great China Properties Holdings Limited (大中華地產控股有限公司)". The proposed change of the Company name was approved by the shareholders at the extraordinary general meeting held by the Company on 7 February 2013, which took effect on 5 March 2013.

(b) On 23 January 2013, the Company granted 10,000,000 shares under the New Scheme at the subscription price of HK$0.44. All the shares options granted will vest on 23 January 2015. Among the total of 10,000,000 share options, 5,000,000 share options were granted to the directors of the Company.

(c) On 27 September 2010, a wholly-owned subsidiary of the Company, 滙通天下控股(中國)有限公司 (Waytung Global Holding (China) Limited*) ("Waytung China") entered into a sale and purchase agreement, pursuant to acquired 99.99% equity interest of 唐海中泰信和房地產開發有限公司 (Tanghai Zhongtai Xinhe Real Estate Company Limited*). The acquisition were completed and announced on 25 January 2013. The detail of major transaction were set out in the Company's announcement dated 27 September 2010. The directors of the Company consider that the transaction does not meet the definition of a business combination, and it is termed an 'asset acquisition'.

(d) On 31 January 2013, Waytung China entered into a property leasing agreement with 大中華國際集團(中國)有限公司 (Great China International Group (China) Limited*) ("GCI") in relation to the leasing an office for a term of two years commencing from 1 February 2013 to 31 January 2015. Waytung China shall pay a monthly rental of RMB180,000 and a monthly management fees, air-conditioning and maintenance fees of RMB36,480. The rent fee period commenced from 1 February 2013 for 3 months to 30 April 2013. GCI is indirectly wholly-owned by the Mr. Huang Shih Tsai, a substantial shareholder, the Chairman and the Non-executive Director of the Company. Ms. Huang Wenxi, a substantial shareholder, the Chief Executive Officer and the Executive Director of the Company, is the authorised representative and the chairman of the board of GCI. As such, GCI is a connected person of the Company. Accordingly, the transaction constitutes a continuing connected transaction of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Results

For the year ended 31 December 2012, the Group recorded a turnover of approximately HK$13,008,000, representing a decrease of approximately 17% as compared to the turnover of approximately HK$15,671,000 for last year. The decrease in turnover was mainly resulted from the reduction of monthly rental income derived from its property development and investment business from RMB1,083,333 to RMB800,000 under an extended tenancy agreement commenced since 1 April 2012.

Loss attributable to the shareholders was approximately HK$10,065,000 for the year ended 31 December 2012, representing a decrease of approximately 56.6% as compared to a loss attributable to the shareholders of approximately HK$23,191,000 for last year. The decrease in the loss was mainly attributed to an impairment loss on goodwill of approximately HK$14,118,000 recognised in last year.

Business Review

Property Development and Investment Business

The Gold Coast Project

The Company, through its indirect wholly-owned PRC subsidiary, owns a resort located in Baian Peninsula, Houmen Town, Haifeng County, Shanwei City, Guangdong Province, the PRC (the "Gold Coast Resort").

After the expiry of the tenancy agreement dated 10 October 2008 and two supplemental tenancy agreements dated 29 December 2008 and 9 March 2009 with an independent third party, the Group has entered into an agreement dated 29 March 2012 to extend the leasing period of Gold Coast Resort for a term of two years commencing from 1 April 2012 with a fixed monthly rental income of RMB800,000.

On 16 August 2012, 海豐金麗灣度假村有限公司 (Haifeng Jinliwan Resort Company Limited*) ("Gold Coast PRC") received confirmation that it was successful in a bid in the open tender of the land use right to the two pieces of land situated at 中國廣東省汕尾市海豐縣鮜門鎮百安村委 (Baian Village, Houmen Town, Haifeng County, Shanwei City, Guangdong Province, the PRC*) with an aggregate area of approximately 97,069 square meters (the "Land", consisting of two sites, site "A" with an area of approximately 55,130 square meters and site "B" with an area of approximately 41,939 square meters) held by 海豐縣土地交易所 (Haifeng County Land Exchange*) (the "Land Exchange") between 27 July 2012 and 15 August 2012, to acquire the land use right of the Land at an aggregate consideration of RMB54.359 million (equivalent to approximately HK$68,269,000).

Following the successful bidding for the land use right of the Land, Gold Coast PRC entered into two confirmation letters with the Land Exchange on 16 August 2012 to confirm the successful bid for the Land and the related payment terms for the transfer of land use right of the Land.

Gold Coast PRC has entered into two land use right transfer contracts (the "Land Use Right Transfer Contracts") with 海豐縣國土資源局 (Haifeng County Land Resources Bureau*) on 16 August 2012 which require Gold Coast PRC to ensure that the development of the Land is in accordance with the relevant PRC rules and regulations and that such development commences within 2 years from the date of the Land Use Right Transfer Contracts. In the event that development on the Land has not commenced after a period of 2 years from the date of the Land Use Right Transfer Contracts, the land use right of the Land will be revoked.

Gold Coast PRC has also entered into two state-owned construction land use right grant contracts with Haifeng County Land Resources Bureau on 27 August 2012 which confirmed that the land use right of the Land has been granted for a term of 40 years for commercial use and 70 years for residential use.

The Group intends to expand the development of the Gold Coast Resort on the Land which is near to the Gold Coast Resort.

The Gold Coast PRC has completed the construction of water supply pipes connecting 鮜門鎮 (Houmen Town*) and 梅隴鎮平安洞 (Meilong Town Pinandong*) in March 2010 with a total cost of approximately HK$6,837,000 to address water supply and shortage problems in the 鮜門鎮 (Houmen Town*) area where the Gold Coast Resort is located. Extension of the operation of the water supply pipes to supply water to the local villages near the Gold Coast Resort will be considered when business opportunity arises.

Gold Coast PRC had entered into a construction contract dated 16 June 2010 and two supplemental agreements dated 10 December 2010 and 13 January 2011, respectively, with an independent third party, 深圳市焯楠建築裝飾工程有限公司 (Shenzhen Zhuonan Construction and Decoration Company Limited*) (the "Constructor"), for the construction and renovation of the Gold Coast Resort at a contract price of RMB55,000,000 (equivalent to approximately HK$69,075,000). As at the date of this announcement, the Gold Coast PRC paid approximately RMB30,976,000 (equivalent to approximately HK$38,903,000) to the Constructor as a prepayment of the contract sum. As the design for the construction and renovation of the Gold Coast Resort is still under modification, the commencement date of the renovation works is still not yet fixed.

The Tanghai County Project

The Group entered into a sale and purchase agreement dated 27 September 2010 (the "Tanghai Acquisition Agreement") with independent third parties in relation to the acquisition of 99.99% equity interest of 唐海中泰信和房地產開發有限公司 (Tanghai Zhongtai Xinhe Real Estate Company Limited*) ("Tanghai Zhongtai Xinhe") (the "Tanghai Acquisition"), further details of the Tanghai Acquisition are set out in the Company's circular dated 25 November 2010.

The Tanghai Acquisition was approved by the shareholders at the extraordinary general meeting of the Company held on 13 December 2010. All conditions precedent to the Tanghai Acquisition Agreement have been satisfied and completion of Tanghai Acquisition took place on 25 January 2013. Following the completion, Tanghai Zhongtai Xinhe has become an indirect subsidiary of the Company and the financial results of Tanghai Zhongtai Xinhe will be consolidated into the financial statements of the Group.

The Group has paid a total sum of approximately RMB92,500,000 (equivalent to approximately HK$116,171,000) as consideration of the Tanghai Acquisition. The vendors of Tanghai Zhougtai Xinhe are subject to pay the PRC individual income tax derived from the transfer of the equity interest of Tanghai Zhongtai Xinhe. As at the date of completion of the Tanghai Acquisition, such PRC individual income tax had not been settled. It was agreed by the vendors that they will not require the Company to pay the remaining portion of the consideration of RMB11,989,550 (equivalent to approximately HK$15,058,000) until the outstanding PRC individual income tax is settled by them.

The Group has appointed several external firms to conduct reconnaissance and began designing work. As at the date of this announcement, the Group is at the preliminary stage to plan and design the ecological leisure living area or resort area.

The Daya Bay Project

On 8 June 2012, Asiatic Talent Limited ("Asiatic"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (the "Sale and Purchase Agreement") with Mr. Huang Shih Tsai ("Mr. Huang"), the non-executive director and the chairman of the Company, pursuant to which Asiatic has conditionally agreed to acquire and Mr. Huang has conditionally agreed to sell the entire issued share capital of Guo Rong Limited ("Guo Rong") at a consideration of RMB230,000,000 (subject to downward adjustments, if any) (equivalent to approximately HK$282,900,000 and subject to corresponding downward adjustments, if any) (the "Daya Bay Acquisition").

The core assets under the Daya Bay Acquisition was 東方新天地大廈 (Great China Eastern New World Square*) (the "Property"), which is a comprehensive property development project with a total gross floor area of approximately 69,171.7 sq.m. located at No.1 Zhongxing Zhong Road, Aotou Town, Daya Bay, Huizhou City, Guangdong Province, the PRC.

The Daya Bay Acquisition constituted a very substantial acquisition and a connected transaction for the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). Accordingly, the Daya Bay Acquisition was subject to the reporting, announcement and the independent shareholders' approval requirements set out in the Listing Rules. The Daya Bay Acquisition was approved by independent shareholders at the extraordinary general meeting held by the Company on 20 August 2012. All conditions precedent under the Sale and Purchase Agreement have been satisfied and completion of the Daya Bay Acquisition took place on 14 December 2012. Following the completion, Guo Rong has become an indirect subsidiary of the Company and the financial results of Guo Rong and its subsidiaries were consolidated into the financial statements of the Group.

The Company had paid a sum of HK$5,000,000 in cash as refundable deposit to Mr. Huang upon the signing of the Sale and Purchase Agreement. A total of 403,203,504 consideration shares were issued at the issue price of HK$0.20 per share (fair value of which at the date of issue was HK$0.28 per share) as partial consideration (being a sum of HK$80,640,701) to Mr. Huang upon completion of the Daya Bay Acquisition.

Pursuant to the Sale and Purchase Agreement, the consideration is subject to downward adjustment, details of which are set out in the Company's circular dated 25 July 2012. The downward adjustment resulted in an amount of approximately HK$6,276,000 which Mr. Huang would repay (without interest) in cash to Asiatic within 30 days of receipt of the adjustment notice issued by Asiatic.

Revenues which are expected to be derived from the Property include (i) leasing of the commercial portion; (ii) leasing of basement car park area; and (iii) selling of the residential portion. The selling of the residential portion of the Property is expected to commence in the second quarter of 2013.

Change of Company Name

On 14 January 2013, the Board proposed to change the English name of the Company from "Waytung Global Group Limited" to "Great China Properties Holdings Limited" and the Chinese name of the Company from "滙通天下集團有限公司" to "大中華地產控股有限公司" (the "Change of Company Name"). The Board considered that the Change of Company Name can more accurately reflect the principal activities of the Group and provide the Company with a new corporate image and identity. The Change of Company Name was approved by the shareholders at the extraordinary general meeting held by the Company on 7 February 2013. The Certificate of Change of Name was issued by the Registrar of Companies in Hong Kong on 5 March 2013 confirming that the Change of Company Name has become effective.

Upon the effective of the Change of Company Name, the logo of the Company has been changed accordingly. The website of the Company has been changed to www.greatchinaproperties.com with effect from 6 March 2013. The stock short names for trading in the shares of the Company on the Stock Exchange has been changed from "WAYTUNG GLOBAL" to "GREAT CHI PPT" in English and from "滙通天下" to "大中華地產控股" in Chinese, both with effect from 12 March 2013. The stock code of the Company on the Stock Exchange remains unchanged as "21". Details are set out in the announcement of the Company dated 7 March 2013.

Amendments to Memorandum and Articles of Association of the Company ("M&A")

The M&A has been amended upon the capital reduction and the increase in authorised share capital of the Company became effective. The M&A has been amended again upon the Change of Company Name became effective.

Details of the amendments to the M&A are set out in the circulars of the Company dated 25 July 2012 and 16 January 2013 respectively.

Continuing Connected Transaction — Property Leasing Agreement

On 31 January 2013, 滙通天下控股（中國）有限公司 (Waytung Global Holding (China) Limited*) ("Waytung China"), a wholly-owned subsidiary of the Company, entered into a property leasing agreement with 大中華國際集團（中國）有限公司 (Great China International Group (China) Limited*) ("GCI") in relation to the leasing of an office from GCI for a term of two years commencing from 1 February 2013. Waytung China shall pay a monthly rental of RMB180,000 and a monthly management fee, air-conditioning and maintenance fees of RMB36,480. The rent free period commenced from 1 February 2013 for 3 months to 30 April 2013. GCI is indirectly wholly-owned by Mr. Huang Shih Tsai, a substantial shareholder, the chairman and the non-executive director of the Company. Ms. Huang Wenxi, a substantial shareholder, the chief executive officer and the executive director of the Company, is the authorised representative and the chairman of the board of GCI. As such, GCI is a connected person of the Company. Accordingly, the transaction constitutes a continuing connected transaction of the Company.

Grant of Share Options

The Company adopted a share option scheme on 23 May 2011 (the "New Scheme"), under which the eligible participants may be invited to take up options to subscribe for shares in the Company subject to the terms and conditions stipulated in the New Scheme. The maximum number of shares which may be granted under the New Scheme must not in aggregate exceed 10% of the shares in issue as at the date of adoption of the New Scheme or the date of approval by the shareholders in general meeting where the limit is refreshed.

As at 31 December 2012, no option has been granted under the New Scheme.

On 23 January 2013, the Company granted share options to certain eligible participants under the New Scheme to subscribe for a total of 10,000,000 shares of HK$0.01 each in the capital of the Company at the subscription price of HK$0.44. All the share options granted will vest on 23 January 2015. Among the total of 10,000,000 share options, 5,000,000 share options were granted to the directors of the Company. Please refer to the announcement of the Company dated 23 January 2013 for more details.

BUSINESS OUTLOOK

Despite the near-term uncertainties clouding the development of the PRC property market, the Group believes positives such as the mild recovery of the macro economy, sustained urbanization and increase in wealth in the PRC remain intact, and will underpin the future development of the property market.

In line with its business and future strategic focus on mid- to high-end commercial and tourism property development and investment, the Group officially changed its name to "Great China Properties Holdings Limited", and will strive to seek to capture opportunities in the PRC property market by leveraging on its new corporate image.

Looking into 2013, while opening its Great China Eastern New World Square in Huizhou City of Guangdong Province for sale in the second quarter of this year, the Group will continue to develop the Gold Coast Resort and Tanghai Project into world-class tourist destinations. Riding on its solid foundation of existing projects, the Group remains on the lookout for high quality and cost effective investment opportunities to enhance investment returns, as well as to gradually diversify its income source. The Group will stay focused on building its quality brand name and optimizing cost control, so as to enhance its overall economy of scale and economic efficiency and become a leading commercial property developer in the PRC.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 December 2012, bank balances and cash of the Group amounted to approximately HK$22,955,000 (31 December 2011: HK$85,000,000). The Group's total current assets as at 31 December 2012 amounted to approximately HK$253,663,000, which comprised completed properties held for sale, trade receivables, other receivables, held for trading investments, bank balances and cash. The Group's total current liabilities as at 31 December 2012 amounted to approximately HK$207,023,000, which comprised trade payables, receipts in advance, other payables, deposit received, accrued charges, amounts due to related companies and amount due to a director.

Subject to the sanction of an Order of the High Court dated 5 December 2012, (i) the issued share capital of the Company was reduced from HK$463,826,880 divided into 1,159,567,200 shares of HK$0.40 each to HK$11,595,672 divided into 1,159,567,200 shares of HK$0.01 each by cancelling HK$0.39 of the paid up capital on each issued share; and (ii) the authorised but unissued share capital of the Company was reduced from HK$536,173,120 divided into 1,340,432,800 shares of HK$0.40 each to HK$13,404,328 divided into 1,340,432,800 shares of HK$0.01 each by reducing HK$0.39 of the nominal value of each authorised but unissued share (the "Capital Reduction").

Upon completion of the Capital Reduction, the authorised share capital of the Company was increased from HK$25,000,000 divided into 2,500,000,000 shares to HK$200,000,000 divided into 20,000,000,000 shares by the creation of an additional 17,500,000,000 new shares at a nominal value of HK$0.01 each on 10 December 2012.

On 14 December 2012, 403,203,504 ordinary shares were issued at an issue price of HK$0.20 per share (fair value at the date of issue: HK$0.28 per share) as partial consideration for the acquisition of subsidiaries.

CAPITAL COMMITMENT

As at 31 December 2012, the Group had a total capital commitment of approximately HK$86,721,000, contracted for but not provided for in the financial statements, which comprised (i) approximately HK$23,000 in respect of the acquisition of plant and equipment, (ii) approximately HK$62,221,000 in respect of the construction and development of investment properties, and (iii) approximately HK$24,477,000 in respect of the acquisition of a subsidiary.

CHARGES ON ASSETS

As at 31 December 2012, the Group had not charged any of its assets.

EMOLUMENT POLICY

The emoluments of the employees of the Group are determined on the basis of their merit, qualification and competence. The management's remuneration proposals are reviewed and approved by the remuneration committee with reference to the Board's corporate goals and objectives.

The emoluments of the directors and senior management of the Company are determined by the remuneration committee of the Company, having regard to the Company's operating results, individual performance and comparable market statistics.

As at 31 December 2012, the Group employed 49 employees (excluding directors) (31 December 2011: 22 employees) and the related staff costs amounted to approximately HK$4,380,000 (31 December 2011: approximately HK$5,543,000). Staff remuneration packages, which are reviewed annually, include salary/wage and other benefits, such as medical insurance coverage, provident fund and share options.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2012.

CORPORATE GOVERNANCE

The Company has applied the principles and complied with the requirements of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules throughout the year ended 31 December 2012.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors. Having made specific enquiries of all directors, they confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2012.

AUDIT COMMITTEE

The Company has an audit committee which was established in accordance with the requirements as set out in Appendix 14 of the Listing Rules, for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises three independent non-executive directors of the Company, namely Mr. Cheng Hong Kei (chairman of the audit committee), Mr. Leung Kwan, Hermann and Mr. Lum Pak Sum. The Group's final results for the year ended 31 December 2012 have been reviewed by the audit committee.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 2 May 2013 to Wednesday, 8 May 2013, both days inclusive, during the period of closure no transfer of shares will be registered. In order to ascertain the right to attend the 2013 annual general meeting, all share certificates with completed transfer forms either overleap or separately must be lodged with the Company's share registrar, Tricor Tengis Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 30 April 2013.

* *For identification purposes only*

By order of the Board
Great China Properties Holdings Limited
Huang Shih Tsai
Chairman

Hong Kong, 28 March 2013

As at the date of this announcement, the Board comprises one Non-executive Director, namely Mr. Huang Shih Tsai (Chairman), one Executive Director, namely Ms. Huang Wenxi (Chief Executive Officer), three Independent Non-executive Directors, namely Mr. Cheng Hong Kei, Mr. Leung Kwan, Hermann and Mr. Lum Pak Sum.

Please also refer to the published version of this announcement on the Company's website http://www.greatchinaproperties.com