SYNERGIS HOLDINGS LIMITED
新昌管理集團有限公司*

(Incorporated in Bermuda with limited liability)

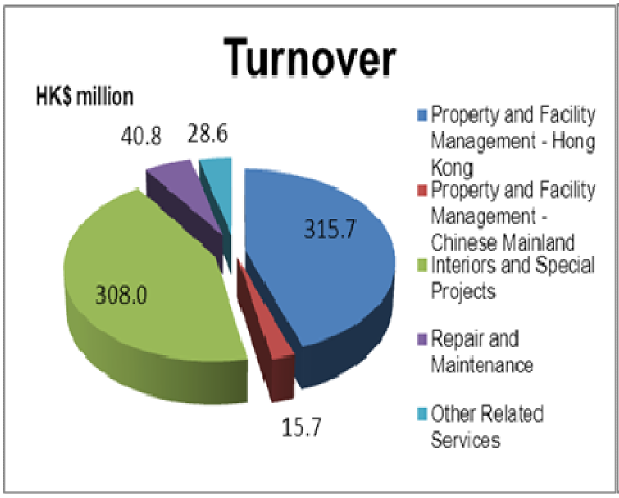
(Stock Code: 02340)

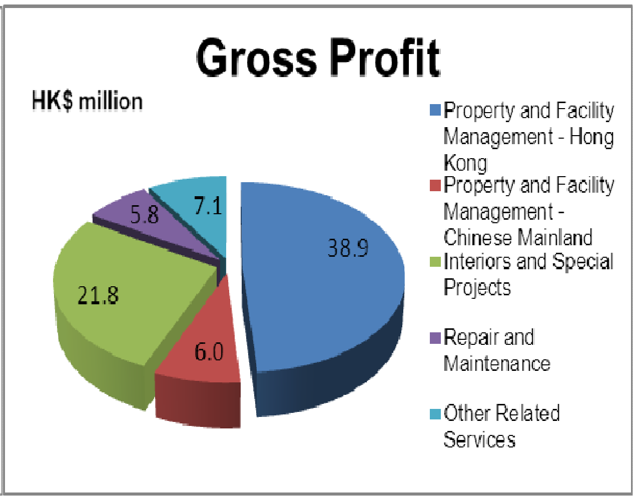
ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

The board of directors (the "Board" or the "Directors") of Synergis Holdings Limited (the "Company" or "Synergis") announces the unaudited interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2013.

FINANCIAL PERFORMANCE

		Six months ended 30 June		
	Unit	2013	2012	Change
Turnover	HK$ million	708.8	395.4	+79%
Gross Profit	HK$ million	79.6	64.0	+24%
Operating Profit	HK$ million	24.6	15.3	+61%
Net Profit attributable to Shareholders	HK$ million	10.9	9.9	+10%
Earnings Per Share	HK cents	2.8	3.0	-7%





Following the acquisition of the interiors and special projects ("ISP") business in November 2012, Synergis recorded a turnover for interim period from it's diversified business portfolio of property and facility management; the ISP business; repair and maintenance; and other related services.

Synergis reported a consolidated turnover of HK$708.8 million for the six months ended 30 June 2013, a substantial increase of 79% over last year. Gross profit and operating profit also increased by 24% and 61% to HK$79.6 million and HK$24.6 million respectively over the last interim reporting period. After amortization of intangible assets and interest on bank loan related to the newly acquired ISP business, the profit attributable to shareholders was HK$10.9 million, an increase of 10% over that recorded last interim year. Excluding the additional net profit contribution from the new ISP business, the property and facility management business for this interim period was generally weaker than last year (see table below). Basic earnings per share were 2.8 HK cents for the reporting period which was similar with last interim reporting period (2012: 3.0 HK cents).

Business Segment Results and Financial Highlight

	Turnover (HK$ million)			Operating Profit (HK$ million)		
	2013	2012	Change	2013	2012	Change
Property & Facility Management – Hong Kong	315.7	308.6	2%	17.8	21.0	-15%
Property & Facility Management – Chinese Mainland	15.7	13.2	19%	-7.4	-9.7	24%
Repair and Maintenance	40.8	44.2	-8%	1.5	2.4	-38%
Other Related Services	28.6	29.4	-3%	2.0	1.6	25%
Sub-total	**400.8**	**395.4**	**1%**	**13.9**	**15.3**	**-9%**
Interiors & Special Projects (acquired on 30 Nov 2012)	308.0	0.0	n.a.	10.7	0.0	n.a.
Total	**708.8**	**395.4**	**79%**	**24.6**	**15.3**	**61%**

BUSINESS AND OPERATIONS REVIEW

Overview

The Hong Kong property and facility management market is mature and remains highly competitive. In respect to inflation in salaries and wages, exacerbated by a shortage of professional staff and workers; and with keen industry competition, management has developed strategies to expand service capabilities including “one-stop-shop” service to clients. As part of this strategic plan, in November 2012, the Company acquired the business of ISP from our parent company, Hsin Chong Construction Group Ltd. (Stock code: 00404) (“Hsin Chong”). This acquisition has enabled the Group to expand business from repair and maintenance to major alteration and addition (A&A) works and special building projects.

Property and Facility Management Services

Hong Kong:
The Group continues to leverage on its established market position in property and facility management to expand related services in Hong Kong. In the first half of 2013, we have successfully secured a number of new residential, commercial and government projects, including

inter-alia Leyburn Villas (麗濱別墅); HK JEBN Group Center (樓上集團中心); Asia One Tower; Radiant Towers (旭輝臺); 88 Plaza (88 廣場); and Sai Kung Tseung Kwan O Government Complex. Given our good track record and professional facility management services provided to educational institutions, we were appointed by St. James' Settlement (聖雅各福群會) to manage their newly built campus located in Wan Chai for a term of 2 years commencing August 2013. We have successfully renewed a further 3 years the facility management service contract for the Hong Kong Police Headquarter commencing on 1 July 2013.

The Group has maintained its sizeable market position in property and facility management business in Hong Kong. The majority of our growth in turnover in this segment came from the new facility management contracts with corporate clients, including Cathay Pacific Cargo Terminal; Hong Kong Heritage Discovery Centre; and English Schools Foundation, including the full year impact of property service contracts by Hong Kong Housing Authority and the Property Management Support Services contract by The Link Management Limited (the "Link"), awarded last year. However, the turnover was partially diminished with the end of the Link's car park management contract effective from April 2013. The previous year's income included a one-off performance bonus from Link, which will not be repeated this year.

Gross profit of the underlying business is still sustainable. After excluding the one-off performance bonus recorded in 2012, the actual gross profit and operating profit in the period are very similar with the last interim. However, this segment's operating profit decreased by 15%, totaling HK$17.8 million, with the inclusion of the one-off performance bonus.

Chinese Mainland:
With the continuing growth in the commercial property market in the Chinese Mainland, the Group has since 2012 built an experienced management team to develop asset management services ("AMS") business opportunities. The management has put focus on Beijing and Shanghai as major growth cities for developing business in the neigbouring cities. The Group has achieved positive results by obtaining 8 AMS contracts, retail management projects and property and facility management projects in Beijing and Shanghai during the first half of 2013. The projects include Beijing New Oriental Education Group Building (北京新東方教育集團大廈); Huawei R&D Centre in Zhongguancun Environmental Park in Beijing (華爲北京中關村科研中心); Shanghai O Mall (上海華僑城商場); Shanghai Po Shan Mall (上海寶山商場); Nantong Lakevilla (南通翠湖灣); Shanghai Sun City (上海隆宇廣場); Shanghai Lakeville phase 1 and phase 2 (上海翠湖雅苑 1, 2 期); and The Paragon in Shanghai (上海茂名公館). With adoption of this business development strategy, the Group expects the business of the Chinese Mainland will gradually reduce the deficits.

In addition, the Group was appointed by Hsin Chong to provide AMS to La Viva (星悅南岸), a large integrated residential and commercial project under development in Tieling, Shenyang. The first phase development of this project spans a total of planned gross floor area of some 3,000,000 sq. m..

China remains a major growth engine to the global economy, and the Company has planned to capitalise on the continuing growth of the Chinese High Net Worth Individual (HNWI) market in 2012. The Group has been working with the strategic partners in the US and the Chinese Mainland to develop business on the inward and outward investment needs of the Chinese HNWI and investment institutions.

Revenue generated from additional contracts awarded as mentioned above together with stringent control on the general and administrative expenses, has helped to reduce the operating loss to HK$7.4 million as compared with the HK$9.7 million loss in corresponding period of last year.

Repair and Maintenance

The Group has established a dedicated team to develop this segment business focusing on the Government's support to building maintenance of the community, such as Operation Building Bright ("OBB"); Mandatory Window Inspection Scheme ("MWIS"); and Mandatory Building Inspection Scheme ("MBIS"). In the first half of 2013, the Group has successfully secured several renovation projects under the OBB scheme, including inter-alia Kiu Kin Mansion (僑建大廈); Tak Yan Building Stage 15 (德仁樓十五期); and Tao Tak Building (陶德大廈). In building maintenance, the Group has successfully secured a number of contracts in the first half of 2013, including Yao Dao Secondary School (耀道中學); the Temple at Cape Collinson (地藏廟); Tung Chung Centre (東涌活動中心) and Wan Chai House (灣仔大樓).

Total turnover from this segment was down slightly by HK$3.4 million to HK$40.8 million due to the completion of the large scale renovation work for Manlai Court and Ngong Shuen Chau Barracks last year. The effect was partially offset by the award of certain large scale repair & maintenance works under the OBB Scheme, such as Ming Wah Court and Fleming Building. The gross profit margin has shown a slight drop to 14% because of the keen competition in the industry. The total outstanding workload exceeds HK$60 million to be completed in the remainder of year.

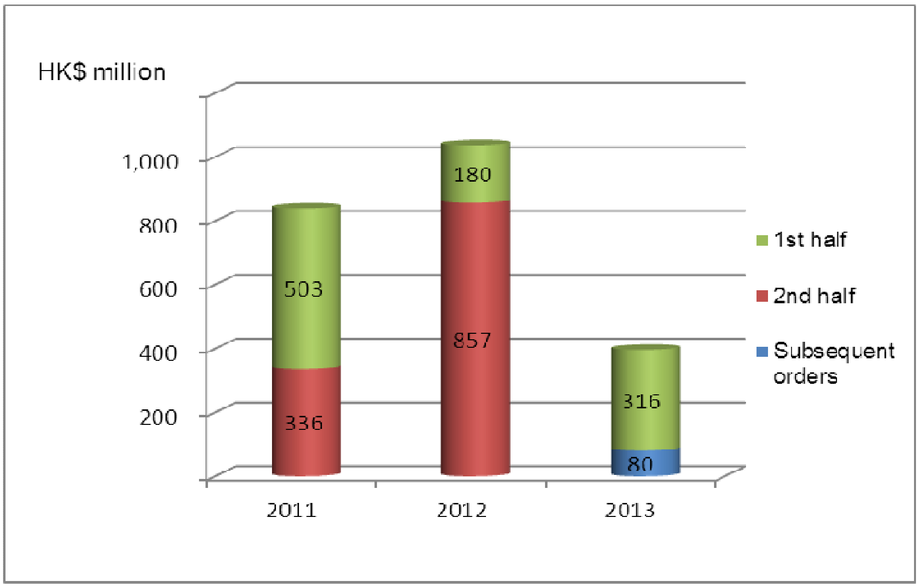
Other Related Services

Total turnover from related services was very similar with the last interim period. All services, except for cleaning services, reported steady growth with slight improvements in turnover. Together with improvement of margins, the operating profit margin increased approximately 25% to HK$2.0 million.

Interiors & Special Projects

Continuing the success of the previous years, the ISP Division secured over HK$300 million of contracts in the first half of 2013. The ISP Division was appointed by Hip Shing Hong for the Good Prospect Building Revitalization Project in Wong Chuk Hang. The revitalization project is to convert the 23 storey existing factory building into a commercial building with a five storey shopping arcade and 18 storey office and commercial floor. This revitalization project commenced in April 2013 and is expected to be finished in July 2014. Apart from the scale of the contract sum of this revitalization project, there is a large number of renovation and A&A projects secured in the first half of 2013, including inter-alia the Renovation Fit-Out Works for Citistore at Tuen Mun (屯門千色店裝修工程); Data Centre A&A Works Packages for Digital Realty at Tseung Kwan O (將軍澳數據中心改造工程); Renovation Works at 28 Hennessy Road (軒尼詩道 28 號裝飾工程); Renovation Works for Kee Wah Industrial Building (奇華餅店廠廈翻新工程); External Cladding Works for HKJEBN Shop (樓上燕窩莊外部覆蓋工程); Re-partitioning of Ma On Shan Plaza (馬鞍山廣場翻新工程); A&A Interior Fitting Out Works at 34B Lugard Road (山頂盧吉道 34B 改造及裝修工程); Phase 1 Renovation of CDW Building at Tsuen Wan (荃灣中國染廠大廈改裝工程) and A&A Works to Aberdeen Marina Club (深灣遊艇會加改建工程).

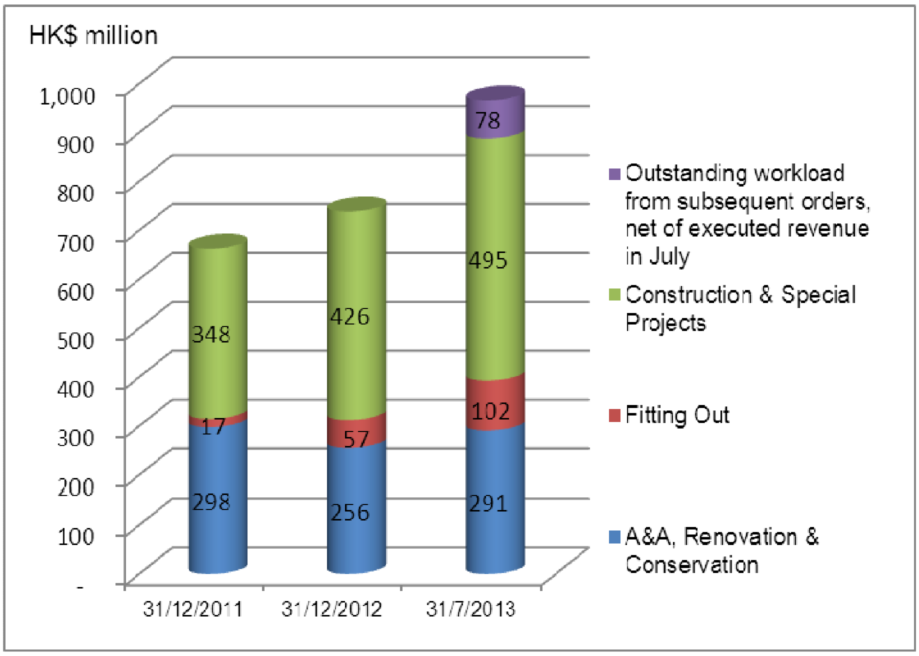
New contracts awarded



During the first half of 2013, the ISP business recorded HK$308.0 million in turnover, HK$21.8 million in gross profit and HK$10.7 million in operating profit. The significant contribution came from the construction works and fitting out of sales office and show room building in Tieling in the Chinese Mainland and Forever 21 project in Hong Kong together with work on newly awarded contracts mentioned above. The gross profit margin and operating profit margins were 7% and 3% respectively. After deducting the loan interest expenses and amortization of intangible assets directly attributable to the acquisition of this business, the net profit contribution after tax was HK$1.2 million.

The total outstanding workload for contracts on hand, as of 31 July 2013, exceed HK$966 million.

Outstanding workload



OUTLOOK

Hong Kong

Going into the second half of 2013, we will continue to develop our core business of property and facility management in Hong Kong using the key strategy is to expand the service offerings to our well-established portfolio of customers through the "one-stop-shop" service capability of the subsidiaries.

Apart from meeting existing customer needs, we must meet the Government's various initiatives and legislation by ensuring good maintenance of the buildings in Hong Kong, under the MWIS, MBIS and OBB schemes. Up to June 2013, over 30 properties under the Group's management had received the MWIS pre-notification letter. It is expected that there will be more MWIS pre-notification letter to other properties managed by the Group in the second half of 2013. The Government's mandatory requirements on all building maintenance issues should generate good incremental business to the Group's maintenance business.

The ISP business has achieved good progress by securing several large scale A&A works contracts in the first half of 2013. We believe that the business growth momentum of the ISP business will be maintained in near future. There are business opportunities both for hotel room fitting-out works in Macau and the older hotels in Hong Kong requiring refurbishment. In other areas, the A&A works in retail malls and office buildings offer further business opportunities.

Chinese Mainland

The Group has adopted a strategy of putting focus on Beijing and Shanghai as major growth cities for developing business in the neigbouring cities in the Chinese Mainland. Given our unique AMS business model, the Chinese Mainland team has achieved positive progress in obtaining a number of retail consultancy, leasing, facility management and AMS contracts in Shanghai, Beijing, Qingdao and Tieling and during the year we have already secured a number of leasing, AMS, and retail and consultancy projects which will commence in the second half of 2013, including inter-alia Chengde Zhaotong Town (承德兆通商品城); Qingdao Jade Island (青島璞玉島); and Shanghai Xi Jiao Gardens (上海西郊莊園).

The Synergis International business team, with operation based in Shanghai and Beijing, has been working closely with the different partners and has expanded the scope of service to include customer seeking investment opportunities in the Chinese Mainland and the United State of America ("USA"). The team has been working on several real estate investment projects located in the Chinese Mainland and the USA to develop business with the Chinese HNWI and investment institutions.

FINANCIAL POSITION AND FINANCIAL RISK MANAGEMENT

As of 30 June 2013, the total outstanding bank loan was HK$168 million to be repaid within 5 years, which was drawn for acquiring the ISP business last November. Interest costs on bank borrowings are primarily based on a spread over HIBOR, prevailing at the time of initial drawdown or subsequent roll-over. With regard to the current portfolio of businesses, management expects that the financing requirements for the remainder of the current financial year will be met from a combination of available cash, cash generated from operations, and existing banking facilities.

The total equity of the Group has increased by the issuance of 80,000,000 convertible preference shares required for the ISP acquisition.

	June 2013	**June 2012**
Financial position (HK$'000)		
Total assets	742,551	230,757
Current assets	488,999	214,562
Net assets	205,933	124,905
Per share data		
Shares in issue (all classes)	412,000,000	332,000,000
Basic earnings per share (HK cents)	2.8	3.0
Diluted earnings per share (HK cents)	2.7	3.0
Dividend per share (HK cents)	2.0	2.0
Net assets per share (HK$)	0.5	0.4
Key ratios		
Gross profit margin	11.2%	16.2%
Net profit margin	1.5%	2.5%
Current ratio	0.9	2.1
Current ratio (exclude borrowing due after 1 year)	1.3	2.1
Return on shareholders' equity (ROE)	5.3%	7.9%
Dividend payout ratio	76%	67%

The Group's treasury management adopts a conservative approach in the management of its financial risks and resources. The Group has established policies and procedures to the assessment, booking and monitoring of all financial risks including interest rates and exchange rates.

Interest rate risk arises from bank borrowings as the interest rates are currently fixed for short-term periods, to take advantage of the lower rates and in accordance with market practice, and therefore may be subject to fluctuation at the time of renewals.

The Group's business has been conducted primarily in Hong Kong, and the majority of its assets and liabilities are denominated in Hong Kong Dollars, and therefore it has minimal foreign currency exposure. The growth in Chinese Mainland has been funded via permanent capital injection, and, as such, foreign currency hedging is considered unnecessary.

It is the Group's policy not to enter into derivative transactions for speculative purposes. It is also the Group's policy not to invest any cash surplus to its financial resources not employed in it's business, in financial products, including hedge funds or similar vehicles, with significant underlying leverage or derivative exposure.

Cash Management

The Group operates a centralised cash management system with any cash surplus to immediate requirements being mainly placed in short-term deposits with a diversified portfolio of licensed banks in Hong Kong.

INTERIM DIVIDEND

The Board has resolved to declare the payment of an interim dividend of 2.0 HK cents per share for the six months ended 30 June 2013 (30 June 2012: 2.0 HK cents per share) payable on or around Friday, 4 October 2013 to shareholders whose names appear on the registers of members of the Company on Thursday, 26 September 2013.

CLOSURE OF REGISTERS OF MEMBERS

The registers of members of the Company will be closed from Monday, 23 September 2013 to Thursday, 26 September 2013 (both days inclusive) during which period no transfer of shares of the Company will be registered. In order to ascertain shareholders' entitlement to the interim dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrars, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 19 September 2013. The principal share registrars of the Company is Butterfield Fulcrum Group (Bermuda) Limited at 26 Burnaby Street, Hamilton HM 11, Bermuda.

HUMAN RESOURCES

At 30 June 2013, the Group employed a total of 5,778 staff (30 June 2012: 6,385) in Hong Kong and the Chinese Mainland.

Given the growth of the Group, a competent stable workforce is essential to meet the Group's operational needs and exceeding our customers' expectations. The Group has defined a Talent Management Model to manage all Human Resource activities. The Model uses a competence-based approach to ensure quality recruitment, training, performance review and succession planning. It also addresses key issues in staff retention programmes such as through communication, workshops, and staff loyalty programmes. This Model approach has won a number of awards in Human Resource and Organization Development competitions.

The Group has been continuously making investment in developing people and management talents for meeting the growth of the Group. In addition to taking care of the academic advancement of the staff through education subsidy arrangement, the Group has developed a series of core training programmes for the staff in enhancing both management and technical skills for achieving performance excellence. The Group has also worked out a comprehensive HR succession plan to identify talents for the sustainable growth of the Group. The Talents Development Programme is one of the major programmes for developing the better performing managers to provide for their better career development and advancement in the Company.

Taking into consideration expected continuous business growth, staff requirement in both Hong Kong and China, is subject to continuous review. Besides external recruitment, internal talent pools are identified through staff work achievements and performance reviews. Personal development plans are developed to provide exposure to increased accountabilities before promotion assessment. The Group sets its remuneration policy by referencing prevailing market conditions and formulates a performance-based reward system with a view to maintaining market competitiveness for attracting and retaining high calibre staff. The remuneration packages of

Hong Kong staff include basic salary, discretionary bonus and other benefits such as medical scheme and contribution to retirement funds. Such remuneration and benefits packages, as well as staff retention schemes are reviewed periodically through our HR Effectiveness Committee, composed of senior management and divisional representatives.

To ensure our services will exceed customer expectation, the Group has developed the Total Customer Experience Model to capture all the wants and needs of the customers and to provide creative solutions for our customers.

Incentive bonus schemes and a share options scheme are available to senior management staff to provide them with incentives to align their performance with the overall profitability and development of the Group. Such management bonus is calculated on a formula, tied to the Group's earnings, approved by the Board. Employees on the Chinese Mainland are competitively remunerated in line with local market terms and conditions.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2013

		Unaudited	
		Six months ended 30 June	
		2013	2012
	Note	**HK$'000**	HK$'000
Revenue	2	**688,023**	395,413
Cost of sales		**(609,622)**	(331,413)
Gross profit		**78,401**	64,000
Share of net profits of joint venture		**1,150**	-
Other income		**1,872**	1,447
General and administrative expenses		**(58,263)**	(52,033)
Amortisation of intangible assets		**(4,363)**	-
Interest expenses		**(3,183)**	-
Profit before taxation	3	**15,614**	13,414
Taxation	4	**(4,745)**	(3,511)
Profit for the period		**10,869**	9,903
Profit attributable to:			
Equity holders of the Company		**10,872**	9,924
Non-controlling interests		**(3)**	(21)
		10,869	9,903
Earnings per share for profit attributable to the equity holders of the Company			
- basic	5	**2.8 cents**	3.0 cents
- diluted	5	**2.7 cents**	3.0 cents
Dividends	6	**8,240**	6,640

Revenue and share of revenue of joint venture	2	**708,811**	395,413

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2013

	Unaudited Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Profit for the period	**10,869**	9,903
Other comprehensive income:		
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translating foreign operations	**243**	(102)
Total comprehensive income for the period	**11,112**	9,801
Total comprehensive income attributable to:		
Equity holders of the Company	**11,115**	9,824
Non-controlling interests	**(3)**	(23)
	11,112	9,801

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET
AS AT 30 JUNE 2013

	Note	**Unaudited 30 June 2013 HK$'000**	Audited 31 December 2012 HK$'000
Non-current assets			
Property, plant and equipment		**12,253**	13,738
Investment properties		**3,160**	3,090
Intangible assets	7	**62,063**	66,426
Goodwill	7	**168,968**	168,968
Joint venture		**6,927**	-
Deferred tax assets		**181**	174
Total non-current assets		**253,552**	252,396
Current assets			
Contracting work-in-progress		**139,398**	181,135
Receivables	8	**229,509**	239,972
Utility deposits and prepayments		**28,281**	16,018
Amounts due from fellow subsidiaries		**976**	698
Taxation recoverable		**-**	27
Cash and cash equivalents		**90,835**	90,718
Total current assets		**488,999**	528,568
Current liabilities			
Payables and accruals	9	**296,703**	350,228
Bank loan		**168,000**	180,000
Amount due to ultimate holding company		**34,369**	25,358
Amounts due to fellow subsidiaries		**3,024**	967
Dividends payable		**10,300**	-
Taxation payable		**10,739**	5,285
Total current liabilities		**523,135**	561,838
Net current liabilities		**(34,136)**	(33,270)
Total assets less current liabilities		**219,416**	219,126
Non-current liabilities			
Long service payment liabilities		**2,081**	2,081
Deferred tax liabilities		**11,402**	12,214
Total non-current liabilities		**13,483**	14,295
Net assets		**205,933**	204,831
Equity attributable to equity holders of the Company			
Share capital	10	**41,200**	39,067
Retained profits and other reserves		**156,270**	155,238
Proposed dividends		**8,240**	10,300
		205,710	204,605
Non-controlling interests		**223**	226
Total equity		**205,933**	204,831

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 Basis of Preparation and Accounting Policies

This unaudited condensed consolidated interim financial information has been prepared in accordance with Hong Kong Accounting Standards (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange of Hong Kong Limited.

In preparing the unaudited condensed consolidated interim financial information, the Directors have given consideration to the future liquidity of the Group in light of the fact that its current liabilities exceeded its current assets by HK$34 million as at 30 June 2013. Taking into account of the available banking facilities and internal generated funds, the Directors are confident that the Group will be able to meet its financial obligations when they fall due within the next twelve months. Accordingly, the condensed consolidated interim financial information has been prepared on a going concern basis.

The accounting policies and methods of computation and presentation used in the preparation of the unaudited condensed consolidated interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2012, except that the Group has adopted the following new/revised Hong Kong Financial Reporting Standards (“HKFRS”) that are mandatory for the first time for the financial year beginning 1 January 2013 and which are relevant to its operations.

HKAS 1 (Revised) (Amendments)	Presentation of Financial Statements
HKAS 27 (2011)	Separate Financial Statements
HKAS 28 (2011)	Investments in Associates and Joint Ventures
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurements
Amendments to HKFRS 10, HKFRS 11 & HKFRS 12	Transition Guidance

Except as described below, the adoption of the above does not have any significant impact to the Group’s results for the six months ended 30 June 2013 and the Group’s financial position as at 30 June 2013.

HKAS 1 (Revised) (Amendments) Presentation of Financial Statements

HKAS 1 (Revised) (Amendments) requires the identification of other comprehensive income items that are subsequently re-classifiable to the profit or loss in the statement of comprehensive income. The amendment affected presentation only and had no impact on the Group’s financial position or performance.

HKFRS 11 Joint Arrangements

Under HKFRS 11, investments in joint arrangements are classified either as joint operations or joint ventures, depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement.

The Group's interest in its jointly controlled entities were accounted for using the equity method. Under HKFRS 11, the jointly controlled entities have been assessed to be joint ventures.

For the six months ended 30 June 2013, the Group has adopted all other new or revised standards, amendments and interpretations that are currently in issue and are mandatory for the year ending 31 December 2013.

The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1 January 2013 and have not been early adopted.

HKAS 32 Amendment	Financial Instruments: Presentation - offsetting Financial Assets and Financial Liabilities
HKFRS 7 and HKFRS 9 Amendments	Mandatory effective Date and Transition Disclosures
HKFRS 9	Financial Instruments
HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendment	Investment Entities

The Group has already commenced an assessment of the impact of these new or revised HKFRSs, certain of which are relevant to our Group's operation and will give rise to change in presentation, disclosure and measurements of certain items in the financial statements.

2 Segment Information

In accordance with the Group's internal financial reporting provided to the chief operating decision-maker, identified as the Board of directors and senior management, who are responsible for allocating resources, assessing performance of the operating segments and making strategic decisions, the reportable operating segments are :

- property and facility management services in Hong Kong;
- property and facility management services in Chinese Mainland including leasing services;
- interiors and special projects;
- repair and maintenance services; and
- other related services including security, cleaning, laundry, etc.

During the period, the Group has changed the composition of its reportable segments to five operating segments (2012: Four). Accordingly, the corresponding items of segment information for the period ended 30 June 2012 have been restated.

(a) Segment Result (in HK$'000)

Unaudited six months ended 30 June 2013	**Property and Facility Management- Hong Kong**	**Property and Facility Management- Chinese Mainland**	**Repair and Maintenance**	**Other Related Services**	**Property and Facility Management and Related Services**	**Interiors and Special Projects#**	**Total**
Turnover*	**315,653**	**15,673**	**40,787**	**28,714**	**400,827**	**307,984**	**708,811**
Gross profit	38,901	6,021	5,738	7,095	57,755	20,646	78,401
Share of net profits of joint venture	-	-	-	-	-	1,150	1,150
Operating profit/(loss)	**17,806**	**(7,427)**	**1,518**	**2,035**	**13,932**	**10,679**	**24,611**
Amortisation of intangible assets					-	(4,363)	(4,363)
Loan interest expenses					-	(3,183)	(3,183)
Others (note 1)					(1,351)	(100)	(1,451)
Profit before taxation					**12,581**	**3,033**	**15,614**
Taxation					(2,878)	(1,867)	(4,745)
Profit for the period					**9,703**	**1,166**	**10,869**

*****_including share of revenue of joint venture_

Unaudited six months ended 30 June 2012	Property and Facility Management- Hong Kong	Property and Facility Management- Chinese Mainland	Repair and Maintenance	Other Related Services	Total
Turnover	308,676	13,192	44,208	29,337	395,413
Gross profit	42,781	7,588	7,504	6,127	64,000
Operating profit/(loss)	21,012	(9,736)	2,404	1,604	15,284
Others (note 1)					(1,870)
Profit before taxation					13,414
Taxation					(3,511)
Profit for the period					9,903

ISP division was acquired from the Group's largest shareholder on 30 November 2012.

note 1:
Others represents other income and other unallocated expenses, but excludes amortization of intangible assets.

(b) Reconciliation of Reportable Segment Revenue

	Unaudited Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Reportable segment revenue	**708,811**	395,413
Less: Share of revenue of joint venture	**(20,788)**	-
Group revenue	**688,023**	395,413

(c) Customers Information

For the six months ended 30 June 2013, revenue of approximately HK$90,250,000 was derived from one single external customer which was attributable to ISP (for the six months ended 30 June 2012: HK$100,404,000 was derived from two external customers attributable to the property management and facility management services).

3 Profit before Taxation

	Unaudited Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Profit before taxation is arrived after charging:		
Staff costs, including directors' emoluments	**332,162**	267,382
Depreciation	**3,636**	3,447
Amortisation of intangible assets	**4,363**	-
Operating lease rental on land and buildings	**4,175**	2,475
Operating lease rental on office equipments	**108**	97

4 Taxation

Hong Kong profits tax has been provided for at the rate of 16.5% (2012: 16.5%) on the estimated assessable profits for the period. Taxation on other overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

	Unaudited Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Current taxation		
Hong Kong profits tax		
- provision for the period	**5,513**	3,301
- under/(over) provision in prior year	**50**	(3)
Deferred taxation (credit)/expenses	**(818)**	213
	4,745	3,511

5 Earnings Per Share

(a) Basic earnings per share is calculated by dividing the Group's unaudited profit attributable to equity holders less dividends to convertible preference shareholders by the weighted-average ordinary shares in issue during the period.

	Unaudited Six months ended 30 June	
	2013	2012
Profit attributable to equity holders (HK$'000)	**10,872**	9,924
Less: dividends to convertible preference shareholders (HK$'000)	**(1,600)**	-
Profit attributable to ordinary shareholders (HK$'000)	**9,272**	9,924
Weighted-average ordinary shares issued ('000)	**332,000**	332,000
Basic earnings per share (HK cents)	**2.8**	3.0

(b) Diluted earnings per share is calculated by dividing the Group's unaudited profit attributable to equity holders by the weighted-average ordinary shares outstanding after adjusting for the potential dilutive effect in respect of outstanding employee share options and potential ordinary shares issued during the period.

	Unaudited Six months ended 30 June	
	2013	2012
Profit attributable to equity holders (HK$'000)	**10,872**	9,924
Weighted-average ordinary shares issued ('000)	**332,000**	332,000
Adjustments for share options ('000)	**1,658**	-
Adjustments for potential ordinary shares to be issued ('000)	**63,499**	-
Weighted-average ordinary shares for calculating diluted earnings per share ('000)	**397,157**	332,000
Diluted earnings per share (HK cents)	**2.7**	3.0

6 Dividends

At a meeting held on 23 August 2013, the Board resolved to declare the payment of an interim dividend of 2.0 HK cents per ordinary share (30 June 2012: 2.0 HK cents). This interim dividend is not reflected as a dividend payable in this financial information, until it has been approved by the shareholders at the forthcoming annual general meeting of the Company.

7 Intangible Assets

	Goodwill HK$'000	Trademark HK$'000	Backlog orders HK$'000	Non-competition agreement HK$'000	Total HK$'000
Cost					
At 31 December 2012 and 1 January 2013	**168,968**	**48,826**	**15,934**	**2,393**	**67,153**
Accumulated amortisation					
At 1 January 2012	-	-	-	-	-
Amortisation for the year	-	(271)	(443)	(13)	(727)
At 31 December 2012	**-**	**(271)**	**(443)**	**(13)**	**(727)**
Amortisation for the period	**-**	**(1,628)**	**(2,655)**	**(80)**	**(4,363)**
	-	**(1,899)**	**(3,098)**	**(93)**	**(5,090)**
Net Book Value					
At 30 June 2013	**168,968**	**46,927**	**12,836**	**2,300**	**62,063**
At 31 December 2012	168,968	48,555	15,491	2,380	66,426

Intangible assets arising from the acquisition of the ISP business included goodwill, trademark, backlog orders and non-competition agreement.

Goodwill is allocated to cash-generating units that are expected to benefit from the business combination. Assessment of any impairment of goodwill is based on the recoverable amount of the Interiors & Special Projects segment derived from cash flow projections based on approved management budget over a three-year period. Cash flows beyond the three-year period are extrapolated with zero growth rate. A discount rate was adopted to reflect specific risk relating to the segment. The key assumptions adopted are the discount rates, growth rates and projected operating profit, which were determined based on past performance and management's expectations for the market development.

The trademark refers to the use of the "Hsin Chong" in Hong Kong. Other than the value included in the acquisition consideration, there is no on-going fee for utilizing the Trade Marks. Although there is no expiry date, management has prudently adopted a 15 year useful life for amortization purpose.

Backlog orders refers to the contractual sales that are outstanding at time of acquisition of ISP, from which there is a set of expected benefits to be received and accordingly management has adopted amortization over 3 years.

Based on the non-competition agreement, management has adopted amortization over 15 years.

8 Receivables

The credit period of the Group's accounts receivable generally ranges from 30 to 60 days. (31 December 2012: 30 to 60 days). The ageing analysis by due date is as follows:

	Unaudited 30 June 2013 HK$'000	Audited 31 December 2012 HK$'000
Accounts receivable		
Not yet due	**98,314**	107,551
1 to 30 days	**32,243**	45,466
31 to 60 days	**9,797**	8,378
61 to 90 days	**3,169**	1,909
Over 90 days	**14,719**	6,626
	158,242	169,930
Retention receivables and other receivables	**71,267**	70,042
	229,509	239,972

9 Payables and accruals

The credit period of the Group's accounts payable generally ranges from 30 to 60 days. (31 December 2012: 30 to 60 days). The ageing analysis by due date is as follows:

	Unaudited 30 June 2013 HK$'000	Audited 31 December 2012 HK$'000
Accounts payable		
Not yet due	**128,622**	207,899
1 to 30 days	**28,176**	9,693
31 to 60 days	**9,602**	1,950
61 to 90 days	**3,245**	1,040
Over 90 days	**14,683**	8,083
	184,328	228,665
Retention payables, other payables and accruals	**112,375**	121,563
	296,703	350,228

10 Share Capital

	Unaudited 30 June 2013 HK$'000	Audited 31 December 2012 HK$'000
Authorised:		
9,000,000,000 ordinary shares of HK$0.10 each	**900,000**	900,000
1,000,000,000 convertible preference shares of HK$0.10 each	**100,000**	100,000
	1,000,000	1,000,000
Issued and fully paid:		
332,000,000 ordinary shares of HK$0.10 each	**33,200**	33,200
80,000,000 (2012: 58,666,667) convertible preference shares of HK$0.10 each	**8,000**	5,867
	41,200	39,067

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 period.

REVIEW BY AUDITOR AND AUDIT COMMITTEE

The unaudited condensed consolidated interim financial information of the Company for the six months ended 30 June 2013 has been reviewed by the Company's external auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

The audit committee of the Company comprises three members, namely, Mr. David Yu Hon To (chairman of the audit committee), Mr. Tenniel Chu and Mr. Wong Tsan Kwong. The audit committee, together with the management and the Company's auditor, PricewaterhouseCoopers, has reviewed the unaudited condensed consolidated interim financial information of the Company for the six months ended 30 June 2013.

MODEL CODE ON SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as its own code of conduct regarding securities transactions by directors of the Company. Having made specific enquiry of all the directors of the Company, the Company confirmed that all the directors have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2013.

The Board has further adopted the Model Code as the written guidelines for securities transactions by the senior management and certain employees of the Group (collectively, the "Relevant Employees") who by virtue of their positions may likely be in possession of unpublished price sensitive information of the Group. Having made specific enquiry of all the Relevant Employees, the Company was advised that all of them have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2013.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has applied the principles in, and complied with the code provisions and certain recommended best practices, set out in the Corporate Governance Code in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2013.

PUBLICATION OF THIS INTERIM RESULTS ANNOUNCEMENT

This interim results announcement is published on the Company's website at http://www.synergis.com.hk and the website of Hong Kong Exchanges and Clearing Limited at http://www.hkexnews.hk.

By order of the board of
Synergis Holdings Limited
Fan Cheuk Hung
Managing Director

Hong Kong, 23 August 2013

Website : http://www.synergis.com.hk

As at the date of this announcement, the Board comprises Mr. Wilfred Wong Ying Wai (chairman), Dr. Fan Cheuk Hung (managing director) and Dr. Catherine Chu as executive directors; Mr. Tenniel Chu and Dr. Barry John Buttifant as non-executive directors; and Mr. Stephen Ip Shu Kwan, Dr. Kan Fook Yee, Mr. Wong Tsan Kwong and Mr. David Yu Hon To as independent non-executive directors.

* *for identification purposes only*