MODERN LAND (CHINA) CO., LIMITED

當代置業（中國）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1107)

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

HIGHLIGHTS

- The Company's shares were successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited on July 12, 2013.
- Revenue increased by approximately 19.8% from the corresponding period in 2012 to approximately RMB1,242.9 million.
- Gross profit increased by approximately 20.4% from the corresponding period in 2012 to approximately RMB540.6 million and gross profit margin remained relatively stable at approximately 43.5% as compared to approximately 43.3% for the corresponding period in 2012.
- Profit for the period attributable to owners of the Company decreased by approximately 32.2% to approximately RMB183.2 million. The decrease was due to the inclusion of income from the land resettlement project (Water Metre Plant Area Project) of approximately RMB146.9 million in the profit for the corresponding period in 2012. Profit for the period attributable to owners of the Company would record an increase of approximately 13.0% from the corresponding period in 2012 if the income was excluded and not accounted for as other income in 2012 given its nonrecurrent nature.
- Basic earnings per share was RMB15.3 cents (2012: RMB22.5 cents)
- Achieved contracted sales of approximately RMB1,676.8 million represented a period-on-period increase of approximately 111.8%.
- As at June 30, 2013, the Group recorded net cash (bank balances and cash net of total borrowings and amounts due to related parties) of approximately RMB217.0 million. As at December 31, 2012, the Group's net debt (total borrowings plus amounts due to related parties net of bank balances and cash) to equity ratio of approximately 22.6%.
- The Board resolved to declare an interim dividend of HK$1.5 cents per share (2012: Nil).

Interim Results

The board of directors (the "Board") of Modern Land (China) Co., Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended June 30, 2013 (the "Period") with the comparative figures for the six months ended June 30, 2012, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2013

		Six months ended June 30,	
		2013	2012
	NOTES	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Revenue	*3*	**1,242,898**	1,037,743
Cost of sales		**(702,268)**	(588,653)
Gross profit		**540,630**	449,090
Other income, gain and loss		**8,967**	163,297
Change in fair value of held for trading investments		**1,311**	24
Fair value gain of completed properties for sale upon transfer to investment properties		**12,146**	71,006
Change in fair value of investment properties		**3,730**	15,000
Selling and distribution expenses		**(64,262)**	(50,055)
Administrative expenses		**(74,213)**	(80,104)
Finance costs	*4*	**(7,643)**	(51,086)
Listing expenses		**(15,930)**	(12,065)
Profit before taxation		**404,736**	505,107
Income tax expense	*5*	**(222,022)**	(230,113)
Profit for the period		**182,714**	274,994
Other comprehensive income for the period:			
Items that will not be reclassified to profit or loss:			
Gain on revaluation of owner-occupied properties upon transfer to investment properties		**–**	1,027
Deferred tax relating to gain on revaluation		**–**	(257)
		–	770
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translating foreign operations		**(1,653)**	–
Other comprehensive income for the period, net of income tax		**(1,653)**	770
Total comprehensive income for the period		**181,061**	275,764
Profit for the period attributable to:			
Owners of the Company		**183,198**	270,398
Non-controlling interests		**(484)**	4,596
		182,714	274,994
Total comprehensive income attributable to:			
Owners of the Company		**181,545**	271,154
Non-controlling interests		**(484)**	4,610
		181,061	275,764
Earnings per share, in RMB cents:			
Basic	*7*	**15.3**	22.5

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2013

	NOTES	**At June 30, 2013** *RMB'000* **(unaudited)**	At December 31, 2012 *RMB'000* (audited)
NON-CURRENT ASSETS			
Investment properties		**767,475**	717,000
Property, plant and equipment		**967,218**	933,078
Intangible assets		**1,246**	1,337
Prepaid lease payments		**132,540**	279,192
Freehold land held for future development		**28,114**	28,600
Available-for-sale investments		**12,056**	12,056
Deposits paid for acquisition of land use rights		**20,000**	–
Deferred tax assets		**312,310**	250,207
		2,240,959	2,221,470
CURRENT ASSETS			
Inventories		**2,033**	879
Properties under development for sale		**3,275,734**	3,570,940
Properties held for sale		**1,437,538**	1,276,697
Trade and other receivables, deposits and prepayments	*8*	**438,819**	446,241
Amounts due from related parties		**8,100**	2,305
Available-for-sale investments		**207,000**	–
Restricted cash		**97,258**	85,225
Bank balances and cash		**1,095,727**	787,712
		6,562,209	6,169,999
CURRENT LIABILITIES			
Trade and other payables, deposits received and accrued charges	*9*	**4,921,675**	4,547,405
Amounts due to related parties		**22,453**	17,144
Taxation payable		**1,294,207**	1,198,397
Bank and other borrowings – due within one year		**234,196**	109,000
		6,472,531	5,871,946
NET CURRENT ASSETS		**89,678**	298,053
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,330,637**	2,519,523
CAPITAL AND RESERVES			
Share capital		**342**	342
Reserves		**1,687,667**	1,501,137
Equity attributable to owners of the Company		**1,688,009**	1,501,479
Non-controlling interests		**(1,214)**	(730)
TOTAL EQUITY		**1,686,795**	1,500,749
NON-CURRENT LIABILITIES			
Bank and other borrowings – due after one year		**622,100**	1,000,900
Deferred tax liabilities		**21,742**	17,874
		643,842	1,018,774
		2,330,637	2,519,523

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company was incorporated in the Cayman Islands on June 28, 2006 as an exempted company with limited liability under the Companies Law of the Cayman Islands. Its parent and ultimate holding company is Super Land Holdings Limited ("Super Land"), a company incorporated in the BVI. The registered office of the Company is located at Floor 4, Willow House, Cricket Square, P.O. Box 2804, Grand Cayman KY1-1112, Cayman Islands, and its headquarter is located at No. 1, Xiangheyuan Road, Dongcheng District, Beijing, People's Republic of China ("PRC").

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on July 12, 2013.

The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are principally engaged in property development, project management consulting, and construction project management, provision of club services, technology development and consulting.

The unaudited condensed consolidated financial statements are presented in Renminbi ("RMB"), the currency of the primary economic environment in which the group entities operate (the functional currency of group entities).

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

(a) Basis of preparation

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 (IAS 34) *Interim Financial Reporting* issued by the International Accounting Standards Board as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

(b) Principal accounting policies

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

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2013 are consistent with those followed in the preparation of the Group's consolidated financial statements for the three years ended December 31, 2010, 2011 and 2012 underlying the preparation of the accountants' report in Appendix I to the prospectus of the Company (the "Prospectus") in connection with the initial public offering of the shares of the Company on the Main Board of the Stock Exchange issued on June 28, 2013.

In the current interim period, the Group has applied, for the first time, certain amendments to International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") that are relevant for the preparation of the Group's condensed consolidated financial statements.

IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
Amendments to IFRS 10, IFRS 11 and IFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
IFRS 13	Fair Value Measurement
IAS 19 (Revised 2011)	Employee Benefits
IAS 28 (Revised 2011)	Investments in Associates and Joint Ventures
Amendments to IAS 1	As part of the Annual Improvements to IFRSs 2009-2011 Cycle issued in 2012
Amendments to IFRSs	Annual Improvements to IFRSs 2009-2011 Cycle
Amendments to IFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities

Except as described below, the application of the above amendments to IFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements.

Amendments to IAS 1 Presentation of Items of Other Comprehensive Income

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

IFRS 13 Fair Value Measurement

The Group has applied IFRS 13 for the first time in the current interim period. IFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements, and replaces those requirements previously included in various IFRSs. Consequential amendments have been made to IAS 34 to require certain disclosures to be made in the interim condensed consolidated financial statements.

The scope of IFRS 13 is broad, and applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, subject to a few exceptions. IFRS 13 contains a new definition for 'fair value' and defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under IFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, IFRS 13 includes extensive disclosure requirements.

In accordance with the transitional provisions of IFRS 13, the Group has applied the new fair value measurement and disclosure requirements prospectively. The application of IFRS 13 has no material impact on the Group's profit or loss, other comprehensive income and financial position in the current and prior periods.

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

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

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

3. REVENUE AND SEGMENT INFORMATION

The Group's operating activities are attributable to a single reportable and operating segment focusing primarily on property development and property investment. This operating segment has been identified on the basis of internal management reports reviewed by the chief operating decision maker of the Group. The chief operating decision maker mainly reviews revenue from sales of properties from property development and leasing properties from property investment which are measured in accordance with accounting policies similar to those of IFRS. However, other than revenue information, no operating results and other discrete financial information is available for the assessment of performance of the respective type of revenue. The chief operating decision maker, Mr. Zhong Tianxiang, who is the Chief Executive Officer of the Group, reviews the overall results of the Group as a whole to make decision about resources allocation. Accordingly, no analysis of this single reportable and operating segment is presented.

An analysis of the Group's turnover by type is as follow:

	Six months ended June 30,	
	2013	2012
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Sales of properties	**1,228,543**	1,029,183
Leasing of properties	**14,355**	8,560
	1,242,898	1,037,743

Non-current assets (excluding financial instruments and deferred tax assets) with carrying amount of RMB1,888,176,000 as at June 30, 2013 (December 31, 2012: RMB1,930,390,000) are situated in the PRC, the remaining non-current assets with carrying amount of RMB28,417,000 as at June 30, 2013 (December 31, 2012: RMB28,817,000) are situated in the United States (the "US").

4. FINANCE COSTS

	Six months ended June 30,	
	2013	2012
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interest on bank and other borrowings		
– Wholly repayable within five years	**44,877**	104,292
– Not wholly repayable within five years	**7,597**	8,631
	52,474	112,923
Less: Amount capitalized in properties under development	**(44,174)**	(61,837)
Less: Amount capitalized in properties under construction	**(657)**	–
	7,643	51,086

Borrowing costs capitalized arose on the general borrowing pool of the Group were calculated by applying capitalization rate of 10.91% for the six months ended June 30, 2013 (six months ended June 30, 2012: 12.31%) to expenditure on the qualifying assets.

5. INCOME TAX EXPENSE

	Six months ended June 30, **2013** *RMB'000* (unaudited)	2012 *RMB'000* (unaudited)
Current tax		
PRC Enterprise Income Tax	**145,930**	84,852
Land appreciation tax ("LAT")	**134,327**	95,312
	280,257	180,164
Deferred tax		
PRC Enterprise Income Tax	**(73,924)**	49,949
LAT	**15,689**	–
	(58,235)	49,949
Income tax expense	**222,022**	230,113

Pursuant to the PRC Enterprise Income Tax Law promulgated on March 16, 2007, the PRC enterprise income tax for both domestic and foreign-invested enterprises has been unified at the enterprise income tax rate of 25% effective from January 1, 2008 onwards.

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable exemptions and deductions.

No provision for Hong Kong profits tax has been made as the Hong Kong companies in the Group incurred losses during the six months ended June 30, 2013. No provision for Hong Kong profits tax has not been made as the income of the companies in the Group neither arised in, nor was derived from Hong Kong during the six months ended June 30, 2012.

Pursuant to the United States Federal Tax Law, the US corporate tax shall be taxed at progressive rates ranging from 15% to 35%. No provision for US corporate income tax has been made as the US companies in the Group incurred losses during the six months ended June 30, 2013. No provision for US corporate income tax has been made as the income of the companies comprising the Group neither arised in, nor derived from the US during the six months ended June 30, 2012.

6. DIVIDENDS

No dividends were paid or declared by the Group during the six months ended June 30, 2013 and during the financial year ended December 31, 2012.

Subsequent to the end of the current interim period, the directors of the Company (the "Directors") have determined that an interim dividend of HK$1.5 cents, amounting to HK$24,000,000 in aggregate (2012: Nil), will be paid to the shareholders of the Company whose names appear in the register of members of the Company on September 18, 2013.

7. EARNINGS PER SHARE

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

	Six months ended June 30,	
	2013	2012
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Earnings		
Earnings for the purpose of calculating basic earnings per share (profit for the period attributable to owners of the Company)	**183,198**	270,398

	Six months ended June 30,	
	2013	2012
Number of shares		
Number of ordinary shares for the purpose of calculating basic earnings per share	**1,200,000,000**	1,200,000,000

The number of ordinary shares for the purpose of calculating basic earnings per share for the six-months ended June 30, 2013 and June 30, 2012 has been retrospectively adjusted to reflect 50,000 share was sub-divided into 5,000,000 shares as of June 14, 2013 and 1,195,000,000 shares issue upon capitalization on July 12, 2013 as set out in detail in the Prospectus.

For the six month ended June 30, 2013 and 2012, there were no potential ordinary shares in issue.

8. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Trade receivables mainly comprise of overdue rental receivables. Pursuant to the lease agreements, rental payment is required to be settled in advance with no credit period being granted to the tenants. Considerations in respect of properties sold are paid in accordance with the terms of the related sales and purchase agreements, normally within 45 days from the agreement date.

	At June 30, 2013	At December 31, 2012
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Trade receivables, net of allowance	**22,184**	15,133
Advances to suppliers of construction materials	**63,634**	81,167
Other receivables, net of allowance	**59,705**	55,367
Prepaid LAT and business tax	**289,148**	260,782
Compensation for Water Metre Plant area project *(note a)*	**–**	28,693
Guarantee deposits for housing provident fund loans provided to customers *(note b)*	**4,148**	5,099
	438,819	446,241

Notes:

(a) Balance as at December 31, 2012 represented the compensation in relation to resettlement of Water Metre Plant area project. During the six months ended June 30, 2013, the compensation was fully settled.

(b) Guarantee deposits for housing provident fund loans provided to customers represent amounts placed with Housing Provident Fund Management Center, a state-owned organization responsible for the operation and management of housing provident fund, to secure the housing provident fund loans provided to customers and will be refunded to the Group upon customers obtaining the property individual ownership certificates.

The following is an aged analysis of trade receivables based on due date for rental receivables and date of properties delivered to buyers, which approximated the respective revenue recognition dates, at June 30, 2013 and December 31, 2012:

	At June 30, 2013 *RMB'000* **(unaudited)**	At December 31, 2012 *RMB'000* (audited)
Less than 1 year	**18,398**	15,133
1-2 years	**3,786**	–
	22,184	15,133

As at June 30, 2013, the trade receivables of RMB8,045,000 (December 31, 2012: RMB8,045,000) was impaired because the counterparties' breach of contract and the Group does not hold any collateral over these balances.

9. TRADE AND OTHER PAYABLES, DEPOSITS RECEIVED AND ACCRUED CHARGES

	At June 30, 2013 *RMB'000* **(unaudited)**	At December 31, 2012 *RMB'000* (audited)
Trade payables	**295,078**	449,589
Accrued expenditure on construction	**593,726**	409,674
Other payables	**180,784**	326,820
Other tax payables	**139,412**	183,365
Accrued payroll	**12,539**	23,466
Deposits received and receipt in advance from property sales	**3,697,173**	3,143,215
Other accrued charges	**2,963**	11,276
	4,921,675	4,547,405

Trade payables and accrued expenditure on construction comprise construction costs and other project-related expenses which are payable based on project progress measured by the Group. The Group has financial risk management policies in place to ensure that all payables within the credit timeframe, if any.

The following is an aged analysis of trade payables based on invoice date at June 30, 2013 and December 31, 2012:

	At June 30, 2013 *RMB'000* **(unaudited)**	At December 31, 2012 *RMB'000* (audited)
Less than 1 year	**115,942**	330,793
1-2 years	**127,633**	86,108
2-3 years	**26,662**	18,949
Over 3 years	**24,841**	13,739
	295,078	449,589

CHAIRMAN'S STATEMENT

2013 is a significant and rewarding year for the development of the Group. The Group's successful listing on the Main Board of the Stock Exchange on July 12, 2013 marked a milestone in its strategic development.

Since its establishment in 2000 in Beijing, the Group has been committed to be a socially responsible company with a belief in green, comfort and energy efficiency. In addition to creating maximum return on investment for its shareholders and offering comfortable and energy-saving living style for its customers, the Group is engaged in construction of green, comfortable and low-carbon industrialized communities for the society. In order to achieve this objective, the Group has been committed to heavily investing its resources in the research and development of energy-saving and eco-friendly technologies, which equipped the products developed by the Group with the features of high quality, good comfort level, energy efficiency, temperature efficiency, temperature control, air ventilation and noise reduction, and helps the Group to develop itself into **an iconic brand in the green, comfortable and energy-saving property development market in the PRC**. Leveraged on its technologies, the Group expects to build an increasing number of "green, comfortable and energy-saving industrialized communities" for the society.

With continuous rise in environmental awareness, the Group believes that demand for eco-friendly properties by the customers with the awareness of green, comfort and energy efficiency will increase. Therefore, the Group has expanded its businesses from Beijing, to Shanxi Province, Hunan Province, Hubei Province and Jiangxi Province by replicating its product models in these locations. Looking forward, in addition to actively developing its existing businesses in these regions, the Group will devote efforts to expand its operations to other regions when appropriate opportunities arise. Before deciding to enter into new regions, the Group will, depending on the market conditions, geographic locations and climate factors, select the most suitable products among three product lines: Wan Guo Cheng MOMA, Shang Pin Ge MOMA and Man Ting Chun MOMA, to meet the ongoing demands for full life circle industrialized community development by the markets of these regions. From a long term perspective, the Group seeks to equally invest its resources in the first, second and third tier cities, so as to ease the impact of the national real estate austerity policies on the Group.

Looking forward, the real estate market will face two major issues challenging human beings: sustainable development and aging of population. Therefore, real estate for the senior should not be ignored in the real estate market in the future. Accordingly, in December 2012, the Group purchased a parcel of land with a site area of approximately 196,155 sq.m. located in Pearland, Texas, the U.S. for future development, which is planned to be developed into an industrialized community with living and well-established supporting facilities for the aged, middle-aged and the youngsters. It is expected to not only effectively help the youngsters perform the social responsibility of and reduce the burden of looking after more than four seniors imposed by the aging population society, but also create a green, comfortable and energy-saving living style (because the community residents can work and live in the community without driving back and forth between workplace and home, which reduces the traffic pressure and energy consumption in the cities). So far, as disclosed in the Prospectus, this project is still at the early stage of planning without a specific development schedule. It is expected that the construction of the project will not be commenced before December 31, 2013. The Group believes that when the real estate for the senior attracts more market's attention, the Group will be one of the leading real estate developers in that area.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The revenue of the Group mainly generates from sale of properties and leasing of properties.

Sale of Properties

For the six months ended June 30, 2013, the Group's revenue from sale of properties amounted to RMB1,228.5 million, representing an increase of 19.4% as compared with the same period in 2012. The Group delivered 118,212 sq.m. of property in terms of total gross floor area ("GFA") and 297 units of carparks in 2013. Gross profit margin of sale of properties remained the same as the level of the same period in 2012 of 43.5%. Recognized average selling price ("ASP") was RMB10,033 per sq.m. and that for car parking spaces was RMB143,168 per unit for the six months ended June 30, 2013.

Table 1: Breakdown of revenue from sale of properties of the Group

* *After deducting sales tax*

	Six months ended June 30,					
	2013			2012		
	Revenue *RMB'000*	**Total saleable GFA or units delivered**	**ASP** *RMB'000 per sq.m.*	Revenue *RMB'000*	Total saleable GFA or units delivered	ASP *RMB'000 per sq.m.*
Wan Guo Cheng MOMA	**24,049**	**993 sq.m.**	**24**	17,135	534 sq.m.	32
Modern MOMA	**276,327**	**6,304 sq.m.**	**44**	119,520	2,872 sq.m.	42
Shangdi MOMA	**–**	**–**	**–**	8,511	272 sq.m.	31
iMOMA	**1,552**	**86 sq.m.**	**18**	–	–	–
Yue MOMA	**1,141**	**60 sq.m.**	**19**	13,607	646 sq.m.	21
MOMA Forest Forever	**107,141**	**4,113 sq.m.**	**26**	24,916	1,466 sq.m.	17
Phase 1 of Wan Guo Cheng MOMA (Changsha)	**45,505**	**5,447 sq.m.**	**8**	24,233	4,786 sq.m.	5
Changsha Mantingchun MOMA	**75,044**	**14,816 sq.m.**	**5**	280,484	54,498 sq.m.	5
Phase 1 of Wan Guo Cheng MOMA (Taiyuan)	**99,716**	**8,696 sq.m.**	**11**	439,523	40,538 sq.m.	11
Phase 3 of Wan Guo Cheng MOMA (Taiyuan)	**230,959**	**14,637 sq.m.**	**16**	–	–	–
Nanchang Mantingchun MOMA	**179,223**	**29,406 sq.m.**	**6**	71,863	11,615 sq.m.	6
Xiantao Mantingchun MOMA	**54,578**	**16,463 sq.m.**	**3**	–	–	–
Jiujiang Mantingchun MOMA	**90,787**	**17,191 sq.m.**	**5**	–	–	–
Carpark	**42,521**	**297 units**	**143/ unit**	29,391	156 units	188/ unit
Total	**1,228,543**			1,029,183		

For the six months ended June 30, 2013, the Group achieved contracted sales of RMB1,676.8 million, representing an increase of 111.8% as compared to the same period in 2012. The Group sold 169,327 sq.m. in total GFA and 448 units of carparks, representing an increase of 68.9% and 168.3% respectively over the same period in 2012.

Table 2: Breakdown of contracted sales of the Group

* *Before deducting sales tax*

	Six months ended June 30,					
	2013			2012		
	Contracted sales *RMB'000*	**GFA or Unit**	**ASP** *RMB'000 sq.m.*	Contracted sale *RMB'000*	GFA or Unit	ASP *RMB'000 sq.m.*
Wan Guo Cheng MOMA	**21,659**	**670 sq.m.**	**32**	8,173	505 sq.m.	16
Modern MOMA	**424,745**	**7,354 sq.m.**	**58**	128,162	2,970 sq.m.	43
Shangdi MOMA	**–**	**–**	**–**	964	145 sq.m.	7
Yue MOMA	**–**	**–**	**–**	8,778	359 sq.m.	24
MOMA Forest Forever	**86,699**	**2,805 sq.m.**	**31**	42,357	1,627 sq.m.	26
Phase 1 of Wan Guo Cheng MOMA(Taiyuan)	**63,225**	**4,737 sq.m.**	**13**	27,740	2,443 sq.m.	11
Phase 3 of Wan Guo Cheng MOMA(Taiyuan)	**163,447**	**11,909 sq.m.**	**14**	–	–	–
Phase 1 of Wan Guo Cheng MOMA(Changsha)	**41,810**	**4,289 sq.m.**	**10**	12,855	1,829 sq.m.	7
Changsha Mantingchun MOMA	**695**	**140 sq.m.**	**5**	13,594	2,436 sq.m.	6
Changsha Kaifu Mantingchun MOMA	**486,067**	**77,909 sq.m.**	**6**	–	–	–
Nanchang Mantingchun MOMA	**127,309**	**17,302 sq.m.**	**7**	289,051	44,268 sq.m.	7
Jiujiang Mantingchun MOMA	**136,868**	**23,943 sq.m.**	**6**	198,176	35,677 sq.m.	6
Xiantao Mantingchun MOMA	**62,560**	**18,269 sq.m.**	**3**	29,463	7,993 sq.m.	4
Carparks	**61,742**	**448 units**	**138/unit**	32,451	167 units	194/unit
Total	**1,676,826**			791,764		

As at June 30, 2013, the Group had RMB3,130 million (derived from 454,792 sq.m.) sold but unrecognized contracted sales which formed a solid basis for the Group's future growth in revenue.

Leasing of Properties

For the six months ended June 30, 2013, the Group's revenue from leasing of properties amounted to RMB14.4 million, representing an increase of 67.7% as compared with the same period in 2012. For the six months ended June 30, 2013, the rental income of investment properties was RMB10.6 million, representing approximately 73.6% of the revenue from leasing of properties business.

As at June 30, 2013, the Group had investment properties of 47,228 sq.m., with an overall occupancy rate of 90%.

Table 3: Breakdown of rental income of the Group's investment properties

* *After deducting sales tax*

	Six months ended June 30, 2013			
	Total GFA	**Rental income** *RMB'000*	**% of Revenue**	**Occupancy rate**
Wan Guo Cheng MOMA	**8,731**	**2,382**	**22.6%**	**100%**
Modern MOMA	**7,263**	**4,127**	**39.1%**	**100%**
Modern City Garden	**4,748**	**–**	**–**	**–**
iMOMA	**2,141**	**120**	**1.1%**	**100%**
Phase 1 of MOMA Forest Forever	**782**	**24**	**0.2%**	**100%**
Nanchang Mantingchun MOMA	**3,038**	**273**	**2.6%**	**100%**
Phase 1 of Wan Guo Cheng MOMA (Changsha)	**1,006**	**583**	**5.5%**	**100%**
The clubhouse of Phase 1 of Wan Guo Cheng MOMA (Changsha)	**2,584**	**241**	**2.3%**	**100%**
Changsha Mantingchun MOMA	**14,496**	**2,813**	**26.6%**	**100%**
Xiantao Mantingchun MOMA	**2,439**	**–**	**–**	**–**
Total	**47,228**	**10,563**	**100%**	**90%**

Status of U.S. Business

As of the date hereof, the Group's project located in Pearland, Texas, the U.S. (please refer to the section headed "BUSINESS-Property Development in the U.S." under the Prospectus for details) is still at the early stage of planning, and the Group now currently does not have a specific development schedule. It is expected that the construction of this project will not be commenced before December 31, 2013. The Group will issue announcement if the Group commences the proposed property development in the U.S. prior to December 31, 2013 and will update the development of the U.S. business plan in the Group's interim and annual reports.

Progress of Property Development Project in Yangquan City, Shanxi Province, the PRC

For the six months ended June 30, 2013, the Group recorded other income of approximately RMB2.0 million from the provision of project management services to a property development project located in Yangquan city, Shanxi Province, the PRC (please refer to the section headed "BUSINESS-Property development project in Yangquan city, Shanxi Province, the PRC" under the Prospectus for details). Up to 30 June, 2013, the Group recorded total project management service income of approximately RMB8.0 million. As of the date hereof, the Group has not entered into any supplemental agreement in relation to the project. The Group will issue announcement if the Group enters into any supplemental agreement in relation to the project in the future and disclose the progress of the project in the Group's interim and annual reports.

Land Bank

As at June 30, 2013, the Group's total land bank in the PRC (excluding investment properties and properties held for own use) was 2,277,200 sq.m. The average unit acquisition cost of its land bank was RMB859 per sq.m., accounting for approximately 10% of unit price of current contracted sales.

The geographic spread of the land bank of the Group was as follows:

Table 4: Land bank of the Group

	City	Attributable interest to the Group	Total GFA unsold*	Aggregated GFA sold but undelivered with sales contracts
			sq.m.	*sq.m.*
Wan Guo Cheng MOMA	Beijing	100%	713	139
Shangdi MOMA	Beijing	100%	3,233	691
Phase 3 of MOMA Forest Forever	Beijing	100%	1,379	–
Phase 4 of MOMA Forest Forever	Beijing	100%	14,428	1,827
Modern MOMA	Beijing	100%	41,200	4,086
iMOMA	Beijing	100%	1,262	–
Modern City Garden	Beijing	100%	10,187	–
Yue MOMA	Beijing	100%	1,162	137
Jiujiang Mantingchun MOMA	Jiujiang	100%	241,193	92,563
Nanchang Mantingchun MOMA	Nanchang	100%	142,385	97,007
Phase 1 of Wan Guo Cheng MOMA (Taiyuan)	Taiyuan	100%	13,049	3,342
Phase 2 of Wan Guo Cheng MOMA (Taiyuan)	Taiyuan	100%	251,610	12,513
Phase 3 of Wan Guo Cheng MOMA (Taiyuan)	Taiyuan	100%	93,375	40,808
Xiantao Mantingchun MOMA	Xiantao	100%	832,765	28,567
Phase 1 of Wan Guo Cheng MOMA (Changsha)	Changsha	100%	36,085	7,935
Changsha Mantingchun MOMA	Changsha	100%	63,554	24,020
Changsha Kaifu Mantingchun MOMA	Changsha	100%	529,620	141,157
Total			2,277,200	454,792

**Note:* Total GFA unsold includes aggregated GFA sold but undelivered with sales contracts.

The Group wholly owns a parcel of land with a site area of approximately 196,155 sq.m. located in Pearland, Texas, the U.S. for future development. So far, the project design of this parcel of land is yet to be completed, and the estimated GFA data has not been determined accurately.

For the six months ended June 30, 2013, the Group did not acquire any additional land bank. After 30 June, 2013, the Group purchased 3 parcels of land, the information of which are as follows:

As disclosed in the Prospectus, the Group was applying to obtain the land use rights of a piece of land with a site area of approximately 25,004 sq.m. for further development of its Jiujiang Mantingchun MOMA Project. The Group has fully paid relevant land grant premium of the abovementioned parcels of land of approximately RMB20.3 million in June 2013, and has also obtained such land and relevant State-owned Land Use Rights Certificates as at July 15, 2013. The Group estimates that the total GFA of this land will be 86,141 sq.m..

On August 14, 2013, the Group has successfully acquired the land use rights and its entire interest of two parcels of land located in Xinjian county, Nanchang city, Jiangxi Province through an online auction of land use rights of state-owned construction land in Nanchang city. The aggregated considerations are RMB286.9 million and RMB703.5 million, respectively. The Group estimates that the total GFA of such two parcels of land will be approximately 78,000 sq.m. and 175,000 sq.m. respectively. The land grant premium of the above mentioned parcels of land will be financed by the Group's internal resources (including the net proceeds from the global offering of the Group) as disclosed in the Prospectus.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately 19.8% to approximately RMB1,242.9 million for the six months ended June 30, 2013 from approximately RMB1,037.7 million for the six months ended June 30, 2012. Such increase was mainly attributable to an increase in sales of properties with relatively high selling prices, such as Modern MOMA and MOMA Forest Forever. The property related delivered GFA of the Group increased from approximately 117,227 sq.m. for the six months ended June 30, 2012 to approximately 118,212 sq.m. for the six months ended June 30, 2013.

Cost of Sales

The Group's cost of sales increased by approximately 19.3% to approximately RMB702.3 million for the six months ended June 30, 2013 from approximately RMB588.7 million for the six months ended June 30, 2012. Such increase was mainly due to an increase in sales of properties with higher cost of sales in the first six months of 2013, such as Modern MOMA and MOMA Forest Forever.

Gross profit and gross profit margin

As a result of the foregoing, the Group's gross profit increased by approximately 20.4% to approximately RMB540.6 million for the six months ended June 30, 2013 from approximately RMB449.1 million for the six months ended June 30, 2012.

For the six months ended June 30, 2013, the Group's gross profit margin remained relatively stable at approximately 43.5%, as compared to approximately 43.3% for the same period in 2012.

Other income, gains and loss

Other income, gains and loss for the six months ended June 30, 2013 decreased by approximately 94.5% to approximately RMB9.0 million from approximately RMB163.3 million for the six months ended June 30, 2012. This decrease was primarily due to the recognition of resettlement compensation with respect to the Water Metre Plant Area Project (details of which are set out in the Prospectus) of approximately RMB146.9 million for the six months ended June 30, 2012.

Selling and distribution expenses

The selling and distribution expenses of the Group for the six months ended June 30, 2013 increased by approximately 28.4% to approximately RMB64.3 million from approximately RMB50.1 million for the six months ended June 30, 2012, primarily due to the substantial increase in the pre-sales volume of the Group's properties in the first six months of 2013, resulting in corresponding increase in the related selling and distribution expenses.

Administrative expenses

The administrative expenses of the Group for the six months ended June 30, 2013 decreased by approximately 7.4% to approximately RMB74.2 million from approximately RMB80.1 million for the six months ended June 30, 2012, primarily due to the implementation of cost-saving policy and stringent cost control.

Finance costs

The finance costs of the Group amounted to approximately RMB7.6 million for the six months ended June 30, 2013, representing a significant decrease of approximately 85.0% from approximately RMB51.1 million for the six months ended June 30, 2013. This decrease was primarily attributable to the significant decrease in average balances of other loans for the first six months of 2013 as compared to that in the same period of 2012.

Profit before taxation

The profit before taxation of the Group for the six months ended June 30, 2013 decreased by approximately 19.9% to approximately RMB404.7 million from approximately RMB505.1 million for the six months ended June 30, 2012. The profit before taxation in the first six months of 2013 decreased due to a significant decrease in other income, gains and loss and fair value gains on investment properties of approximately RMB154.3 million and RMB70.1 million respectively, despite the increase in the Group's gross profit by approximately RMB91.5 million in the first six months of 2013.

Income tax expense

The income tax expense of the Group for the six months ended June 30, 2013 decreased by approximately 3.5% to approximately RMB222.0 million from approximately RMB230.1 million for the six months ended June 30, 2012, primarily due to an increase in deferred tax credit as a result of the increase in advance payment of enterprise income tax for pre-sale during the first six months of 2013.

Profit for the period attributable to owners of the Company

As a result of the foregoing, the profit of the Group for the period attributable to owners of the Company for the six months ended June 30, 2013 decreased by approximately 32.2% to approximately RMB183.2 million from approximately RMB270.4 million for the six months ended June 30, 2012. Assuming that the income from the land resettlement project (Water Metre Plant Area Project) of approximately RMB146.9 million received in the first six months of 2012 was excluded, as it is non-recurrent in nature, profit for the period attributable to owners of the Company would record an increase of approximately 13.0% from the corresponding period in 2012.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash position

As at June 30, 2013, the Group had cash, restricted cash and bank balances of approximately RMB1,193.0 million (December 31, 2012: RMB872.9 million), representing an increase of approximately 36.7% as compared to that as at December 31, 2012. In accordance with relevant documents issued by the PRC local State-Owned Land and Resource Bureau, certain property development companies of the Group are required to place the proceeds received from pre-sale of properties as guarantee deposits for construction of properties. The deposits can only be used to pay for construction fees and purchase of construction materials of the relevant projects when approvals are obtained from the PRC local State-Owned Land and Resource Bureau. Such guarantee deposits will be released according to the completion stage of the related pre-sold properties, of which, as at June 30, 2013, some of the Group's cash was deposited with certain banks as guarantee deposits for mortgage financing loans granted to purchasers of the Group's properties. As at June 30, 2013, the above guarantee deposits amounted to approximately RMB97.3 million in total.

Borrowings and pledge of the Group's assets

As at June 30, 2013, the Group had total borrowings of approximately RMB856.3 million, including bank loans of approximately RMB656.3 million and other loans of approximately RMB200.0 million. Among the total borrowings, approximately RMB234.2 million will be repayable within one year and approximately RMB622.1 million will be repayable after one year. As at June 30, 2013, certain banking and other facilities granted to the Group were secured by the Group's assets, such as investment properties, prepaid lease payment, properties under development, properties held for sale, property, plant and equipment, which had a carrying amount of approximately RMB1,598.9 million. Except for other offshore bank credit which was denominated in HK dollars and had a carrying value of RMB3.2 million as at June 30, 2013, the carrying value of all the Group's bank loans was denominated in RMB. Domestic bank loans of the Group bore interests at variable rates pegged with the benchmark loan interest rates quoted by the People's Bank of China. The Group was exposed to interest rate risk which mainly related to variable interest rates of the domestic bank loans.

Leverage

As at June 30, 2013, the Group recorded net cash (bank balances and cash net of total borrowings and amounts due to related parties) of approximately RMB217.0 million. As at December 31, 2012, the Group's net debt (total borrowings plus amounts due to related parties net of bank balances and cash) to equity ratio was approximately 22.6%. The Group's net current assets decreased by approximately 69.9% to approximately RMB89.7 million as at June 30, 2013 from approximately RMB298.1 million as at December 31, 2012. Its current ratio decreased from approximately 1.05 as at December 31, 2012 to approximately 1.01 as at June 30, 2013.

Foreign Currency Risk

The Group's functional currency is RMB. Most of the transactions are denominated in RMB. Transactions of the Group's foreign operations (such as the purchase of land held for future development) and certain expenses incurred are denominated in foreign currencies. As at June 30, 2013, the Group had assets which are denominated in US dollars and HK dollars of approximately US$25.0 million and approximately HK$0.9 million respectively and other offshore bank credits at the carrying value of approximately HK$4.0 million. Those amounts were exposed to foreign currency risk. The Group currently does not have a foreign currency hedging policy in place but the management will monitor foreign exchange exposure and will consider to hedge against any significant foreign currency exposure when necessary.

Contingent Liabilities

As at June 30, 2013, the Group had contingent liabilities amounted to approximately RMB1,613.3 million (December 31, 2012: approximately RMB1,434.7 million) in relation to guarantees provided to the domestic banks for their mortgage bank loans granted to the Group's customer. Under the terms of the guarantees, if a purchaser has defaulted on mortgage payments, the Group will be liable for the payment of outstanding mortgage principals plus accrued interest and penalties as owed by the defaulted purchasers to banks, and, in such circumstances, the Group will be entitled to take over the legal title and ownership of the relevant property. These guarantees will be released upon the earlier of: (i) the satisfaction of the mortgage loan by the purchaser of the property; and (ii) the issuance of the property ownership certificate for the mortgaged property and cancellation of mortgage registration.

Material Acquisition and Disposal of Assets

During the Period, the Group had no material acquisition and disposal of assets, save the disposal of its entire interests in Beijing Modern MOMA Investment Management Co., Ltd. and Suizhong Xian Changlong Property Development Co., Ltd. as disclosed in detail in the Prospectus.

Employees and Compensation Policy

As at June 30, 2013, the Group had 538 employees (December 31, 2012: 495). Employee's remuneration is determined based on the employee's performance, skills, knowledge, experience and market trends. The Group regularly reviews compensation policies and programs, and will make any necessary adjustment in order to be in line with the remuneration levels in the industry norm. In addition to basic salaries, employees may be granted with discretionary bonus and cash awards based on individual performance.

Prospect

Looking into the second half of 2013, the Group will continue to promote the sales of existing projects as planned. The Group will also closely monitor work progress of each project to ensure timely delivery of each project to its customers. In addition, the Group will replenish its land bank at the right opportunity in response to market conditions, its own financial position and future development strategies.

The Group expects that the Chinese government will continue to implement tightening policies and measures on the real estate market to restrain the market speculative activities therein. However, there accumulates huge solid domestic demand in the property market with the continuation of urbanization in China. With continuous rise in environmental awareness, the Group believes that the demand of eco-friendly properties by the customers with the awareness of green, comfort and energy efficiency will increase. The Group believes its comfortable, green, energy-saving and high-tech residential properties are positioned to meet these demands, and its products will be recognized and well received by more and more consumers as China continues its economic development. The Group has much room for development with significant growth potential.

Finally, this year is the Group's Year for Serving Customers, and the Group aims to further enhance customer satisfaction toward its products and services, so as to generate favorable word-of-mouth for the Group and strengthen its brand image.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

As at July 12, 2013, the Company's shares were listed on the Main Board of the Stock Exchange. A total of 400,000,000 shares were issued at HK$1.49 per share for a total of approximately HK$596 million. The net proceeds raised from the above-mentioned global offering of the Company, which were approximately HK$545.4 million after the deduction of related listing expenses, are expected to be used in accordance with the purpose disclosed in the Prospectus of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors. As the shares of the Company were not yet listed on the Stock Exchange as at June 30, 2013, the Model Code was not applicable to the Company for the Period.

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

Since the Company was only listed on the Stock Exchange on July 12, 2013, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange during the Period.

CORPORATE GOVERNANCE

The Directors recognize the importance of good corporate governance in the management of the Group. As the shares of the Company were not yet listed on the Stock Exchange as at June 30, 2013, the Code on Corporate Governance (the "CG Code") as set out in Appendix 14 to the Listing Rules is not applicable to the Company during the Period. The Board will review and monitor the practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Share Option Scheme") on June 14, 2013. No options were granted under the Share Option Scheme from the date of its adoption to the date of this announcement. A summary of the principal terms and conditions of the Share Option Scheme is set out in Appendix V to the Prospectus.

INTERIM DIVIDEND AND CLOSURE OF REGISTER

The Board has resolved to declare an interim dividend of HK$1.5 cents per share for the six months ended June 30, 2013 (2012: Nil) to the shareholders whose names appear on the register of members of the Company on Wednesday, September 18, 2013. The interim dividend will be payable on October 31, 2013.

The register of members of the Company will be closed from Monday, September 16, 2013 to Wednesday, September 18, 2013 (both days inclusive), during which transfer of shares of the Company will not be registered. In order to qualify for the interim dividend, all properly completed and duly stamped transfer forms accompanied by the relevant share certificates will have to be lodged with the Company's Hong Kong branch shares registrar and transfer office, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 pm on Friday, September 13, 2013.

AUDIT COMMITTEE

The Audit Committee of the Company consists of three independent non-executive Directors, Mr. Hui Chun Ho, Eric, Mr. Cui Jian, and Mr. Qin Youguo and is chaired by Mr. Hui Chun Ho, Eric. It has adopted written terms of reference which deal clearly with its authority and duties. The Group's unaudited condensed consolidated interim results for the Period were reviewed by the members of the Audit Committee before submission to the Board for approval.

The Audit Committee has reviewed with the management team the accounting policies and practices adopted by the Group and discussed, among other things, internal controls and financial reporting matters including a review of the unaudited interim results for the Period. In addition, the independent auditor of the Company, Deloitte Touche Tohmatsu, has reviewed the unaudited interim results for the Period in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board ("IAASB").

PUBLICATION

The interim results announcement of the Company for the Period is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.mgreen.hk) respectively. The 2013 interim report will be dispatched to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

APPRECIATION

On behalf of the Board, I would like to extend my sincere thanks to our shareholders for their unwavering support and trust, and express my deepest gratitude to the Board, the management team and all staff of the Group for their dedication and diligence!

By order of the Board of
Modern Land (China) Co., Limited
Zhang Lei
Chairman and executive Director

Hong Kong, August 26, 2013

As at the date of this announcement, the executive directors of the Company are Mr. Zhang Lei, Mr. Chen Yin, Mr. Fan Qingguo and Mr. Zhong Tianxiang and the independent non-executive directors of the Company are Mr. Qin Youguo, Mr. Cui Jian and Mr. Hui Chun Ho, Eric.