LANDSEA朗诗
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LANDSEA GREEN PROPERTIES CO., LTD.

朗 詩 綠 色 地 產 有 限 公 司

(Incorporated in Bermuda with limited liability)

(Stock Code: 106)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30TH JUNE 2013

The board (the "Board") of directors (the "Directors") of Landsea Green Properties Co., Ltd. (formerly known as 'Shenzhen High-Tech Holdings Limited') (the "Company") would like to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30th June 2013 together with the comparative figures. The unaudited condensed interim consolidated results have been reviewed by the Company's audit committee (the "Audit Committee") and its Auditor.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six months ended 30th June	
		2013	2012
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	4, 5	**27,162**	43,928
Cost of services		**(4,283)**	(6,472)
Gross profit		**22,879**	37,456
Fair value (loss)/gain on financial assets at fair value through profit or loss		**(5,115)**	6,442
Other financial income		**2,575**	12,085
Other income	6	**2,284**	481
Selling and distribution costs		**(321)**	(296)
Administrative expenses		**(11,549)**	(16,338)
Profit before income tax	7	**10,753**	39,830
Income tax expense	8	**(1,472)**	(3,367)
Profit for the period		**9,281**	36,463
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Exchange difference arising from translation of foreign operations		**(171)**	–
Total comprehensive income for the period		**9,110**	36,463
Profit for the period attributable to owners of the Company		**9,281**	36,463
Total comprehensive income attributable to:			
Owners of the Company		**9,110**	36,463
Earnings per share attributable to owners of the Company	10		
– Basic		**HK$0.005**	HK$0.018
– Diluted		**HK$0.005**	HK$0.018

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**30th June 2013 *HK$'000* (Unaudited)**	31st December 2012 *HK$'000* (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Investment property	11	**143,000**	143,000
Property, plant and equipment	12	**3,851**	3,294
Available-for-sale financial assets	13	**–**	–
		146,851	146,294
Current assets			
Property held for sale	14	**21,928**	21,928
Trade receivables	15	**101**	198
Other receivables, prepayments and deposits		**824**	2,379
Loans and receivables	16	**5,000**	130,000
Financial assets at fair value through profit or loss	17	**23,024**	9,132
Cash and cash equivalents		**365,802**	613,514
		416,679	777,151
Current liabilities			
Other payables, deposits received and accrued charges	18	**10,353**	12,449
Dividend payable		**–**	363,910
Tax payables		**3,751**	6,873
		14,104	383,232
Net current assets		**402,575**	393,919
Total assets less current liabilities		**549,426**	540,213
Non-current liabilities			
Deferred tax liabilities		**11,434**	11,331
Net assets		**537,992**	528,882
EQUITY			
Equity attributable to owners of the Company			
Share capital		**19,866**	19,866
Reserves		**518,126**	509,016
Total equity		**537,992**	528,882

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Landsea Green Properties Co., Ltd. (formerly known as 'Shenzhen High-Tech Holdings Limited') (the "Company") was incorporated in Bermuda as an exempted company with limited liability. The addresses of its registered office and principal place of business are Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda and Unit 5103, 51st Floor, The Center, 99 Queen's Road Central, Hong Kong respectively. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "SEHK").

The Company is an investment holding company. The activities of its principal subsidiaries are property development and trading, property investment, securities investment and trading, and provision of financial services. The Company and its subsidiaries are together referred to as the "Group".

2. BASIS OF PREPARATION

The unaudited condensed interim consolidated financial statements of the Group for the six months ended 30th June 2013 (the "Unaudited Condensed Interim Financial Information") have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on SEHK and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The Unaudited Condensed Interim Financial Information is presented in Hong Kong dollars ("HK$"), which is also the functional currency of the Company.

3. PRINCIPAL ACCOUNTING POLICIES

The Unaudited Condensed Interim Financial Information has been prepared under the historical cost convention, except for investment property and certain financial instruments, which are stated at fair values, and the accounting policies of which are consistent with those of the Group's annual audited financial statements for the year ended 31st December 2012 (the "2012 Annual Financial Statements") as described thereof.

The accounting policies adopted for the six months ended 30th June 2013 are consistent with those used in the preparation of the 2012 Annual Financial Statements except for the adoption of certain new and revised Hong Kong Financial Reporting Standards ("HKFRSs") (which include individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKAS") and Interpretations) issued by the HKICPA as disclosed below.

The Unaudited Condensed Interim Financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the 2012 Annual Financial Statements, which have been prepared in accordance with HKFRSs.

In the current interim period, the Group has applied, for the first time, of the following new and revised HKFRSs issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual financial period beginning on or after 1st January 2013.

Amendments to HKAS 1 (Revised)	Presentation of Items of Other Comprehensive Income
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKAS 27 (Revised)	Separate Financial Statements
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle

Except as explained below, the adoption of these new and amended standards has no significant impact on the Unaudited Condensed Interim Financial Information.

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

These amendments require the Group to separate items presented in other comprehensive income into those that may be reclassified to profit and loss in the future and those that may not. The Group's presentation of other comprehensive income in these financial statements has been modified accordingly.

Amendments to HKFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities

HKFRS 7 is amended to introduce disclosures for all recognised financial instruments that are set off under HKAS 32 and those that are subject to an enforceable master netting agreement or similar arrangement, irrespective of whether they are set off under HKAS 32. The adoption of the amendments lead to additional disclosure on the Group's Unaudited Condensed Interim Financial Information because the Group had offset certain financial assets and financial liabilities as at 31 December 2012 and such disclosure is disclosed in note 20.

HKFRS 10 Consolidated Financial Statements

HKFRS 10 introduces a single control model for consolidation of all investee entities. An investor has control when it has power over the investee (whether or not that power is used in practice), exposure or rights to variable returns from the investee and the ability to use the power over the investee to affect those returns. It replaces the requirements in HKAS 27, Consolidated and Separate Financial Statements relating to the presentation of consolidated financial statements and HK-SIC 12 Consolidation – Special Purpose Entities.

The adoption of HKFRS 10 does not have any financial impact on the Group as all subsidiaries within the Group satisfy the requirements for control under HKFRS 10 and there are no new subsidiaries identified under the new guidance.

HKFRS 12 Disclosure of Interests in Other Entities

HKFRS 12 brings together into a single standard all the disclosure requirements relevant to an entity's interest in subsidiaries, associates and joint arrangements. The disclosures required by HKFRS 12 are generally more extensive than those previously required by the respective standards. Since those disclosure requirements only apply to a full set of financial statements, the Group has not made additional disclosures in the Unaudited Condensed Interim Financial Information as a result of adopting HKFRS 12.

HKFRS 13 Fair Value Measurement

HKFRS 13 replaces existing guidance in individual HKFRSs with a single source of fair value measurement guidance. HKFRS 13 also contains extensive disclosure requirements about fair value measurements for both financial instruments and non-financial instruments. Some of the disclosures are specifically required for financial instruments in the interim financial reports. HKFRS 13 has been applied prospectively and the Group has provided such disclosure in note 19.

Annual Improvements to HKFRSs 2009-2011 Cycle

This cycle of annual improvements contains amendments to five standards with consequential amendments to other standards and interpretations. Among them, HKAS 34 has been amended to clarify that total assets for a particular reportable segment are required to be disclosed only if the amounts are regularly provided to the chief operating decision marker ("CODM") and only if there has been a material change in the total assets for that segment from the amount disclosed in the last annual financial statements. The amendment also requires the disclosure of segment liabilities if the amounts are regularly provided to the CODM and there has been a material change in the amounts compared with the last annual financial statements. In respect of this amendment, the Group has continued to disclose segment assets and also segment liabilities in note 5.

The Group has not early adopted the following HKFRSs, which are potentially relevant to the Group, that have been issued but are not yet effective.

Amendments to HKAS 32	Financial instruments: Presentation – Offsetting Financial Instruments Assets and Liabilities[1]
Amendments to HKFRS 10, 12 and HKAS 27	Investment entities[1]
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets[1]
Amendments to HKAS 39	Financial instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting[1]
HK (IFRIC) Interpretation 21	Levies[1]
HKFRS 9	Financial instruments[2]

Notes:

1 Effective for annual periods beginning on or after 1st January 2014

2 Effective for annual periods beginning on or after 1st January 2015

The Group is in the process of making an assessment of the potential impact of these new/revised HKFRSs and the directors are not yet in a position to state whether substantial changes to the Group's accounting policies and presentation of the Unaudited Condensed Interim Financial Information will be resulted.

4. REVENUE

Revenue, which is also the Group's turnover, represents rental income, property management fee income and loan interest income.

	Six months ended 30th June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Rental income	**5,949**	18,728
Property management fee income	**7,502**	7,082
Loan interest income	**13,711**	18,118
	27,162	43,928

5. SEGMENT INFORMATION

The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the CODM that is used to make decisions about resource allocation to the Group's business components and review of these components' performance.

The Group assesses the performance of the operating segments based on profit before income tax which is consistent with that in the 2012 Annual Financial Statements.

For management purpose, the Group is organised into four main operating divisions and these divisions form the basis on which the Group presents its reportable operating segment information to the Executive Directors as follows:

– Property investment;
– Property development and trading;
– Securities investment and securities trading; and
– Provision of financial services.

The following tables present revenue and profit information regarding the Group's operating segments for the periods of six months ended 30th June 2013 and 30th June 2012.

	Property investment *HK$'000* (Unaudited)	Property development and trading *HK$'000* (Unaudited)	Securities investment and securities trading *HK$'000* (Unaudited)	Provision of financial services *HK$'000* (Unaudited)	Total *HK$'000* (Unaudited)
Six months ended 30th June 2013					
Revenue					
From external customers	**13,451**	**–**	**–**	**13,711**	**27,162**
Reportable segment revenue	**13,451**	**–**	**–**	**13,711**	**27,162**
Reportable segment profit/(loss)	**7,701**	**–**	**(4,720)**	**13,027**	**16,008**
Six months ended 30th June 2012					
Revenue					
From external customers	25,810	–	–	18,118	43,928
Inter-segment sales	–	–	–	22,420	22,420
Reportable segment revenue	25,810	–	–	40,538	66,348
Reportable segment profit/(loss)	17,159	(78)	7,739	18,290	43,110

Note: Inter-segment sales are charged at prevailing prices.

The following table presents operating segment assets and liabilities information of the Group as at 30th June 2013 and as at 31st December 2012.

	Property investment	Property development and trading	Securities investment and securities trading	Provision of financial services	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
As at 30th June 2013 (Unaudited)					
Reportable segment assets	**145,085**	**21,928**	**23,024**	**5,013**	**195,050**
Property, plant and equipment					**1,939**
Cash and cash equivalents					**365,802**
Other corporate assets					**739**
Group assets					**563,530**
Reportable segment liabilities	**6,742**	**–**	**–**	**100**	**6,842**
Deferred tax liabilities					**11,434**
Other corporate liabilities					**3,511**
Tax payables					**3,751**
Group liabilities					**25,538**
As at 31st December 2012 (Audited)					
Reportable segment assets	145,085	21,928	9,132	131,039	307,184
Property, plant and equipment					1,962
Cash and cash equivalents					613,514
Other corporate assets					785
Group assets					923,445
Reportable segment liabilities	7,656	–	–	1,907	9,563
Deferred tax liabilities					11,331
Dividend payable					363,910
Other corporate liabilities					2,886
Tax payables					6,873
Group liabilities					394,563

The total reportable segment profit can be reconciled to the Group's profit before income tax as presented in the Unaudited Condensed Interim Financial Information as follows:

	Six months ended 30th June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Reportable segment revenue	**27,162**	66,348
Elimination of inter-segment revenue	**–**	(22,420)
	27,162	43,928
Total reportable segment profit	**16,008**	43,110
Gain on disposal of available-for-sale financial assets	**1,280**	–
Bank interest income	**2,100**	10,788
Interest income from promissory note receivable	**475**	–
Unallocated corporate income	**609**	195
Unallocated corporate expenses	**(9,719)**	(14,263)
Profit before income tax	**10,753**	39,830

6. OTHER INCOME

	Six months ended 30th June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Dividend income	**395**	286
Sundry income	**158**	195
Gain on disposal of property, plant and equipment	**451**	–
Gain on disposal of available-for-sale financial assets	**1,280**	–
	2,284	481

7. PROFIT BEFORE INCOME TAX

	Six months ended 30th June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit before income tax has been arrived at after charging:		
Depreciation of property, plant and equipment	**254**	436
Minimum lease payments in respect of properties under operating leases	**480**	–
and after crediting:		
Interest income on financial assets at amortised cost:		
– Bank interest income	**2,100**	10,788
– Interest income from loans to third parties	**13,711**	18,118
Interest income from debt securities	**–**	1,297
Gain on disposal of property, plant and equipment	**451**	–
Interest income from promissory note receivable	**475**	–

8. INCOME TAX EXPENSE

	Six months ended 30th June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
– The People's of Republic of China ("PRC") enterprise income tax		
Current tax for the period	**1,680**	3,677
Over provision in prior period	**(208)**	(310)
	1,472	3,367

For the six months ended 30th June 2013 and 2012, Hong Kong profits tax had not been provided as the Group has available tax losses brought forward from previous period to offset the estimated assessable profits arising in Hong Kong.

Taxes on profits assessable outside Hong Kong have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates based on the existing legislation, interpretations and practices in respect thereof.

9. DIVIDEND

The directors do not recommend the payment of dividend during the current interim period (six months ended 30th June 2012: Nil).

10. EARNINGS PER SHARE

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

	Six months ended 30th June	
	2013	2012
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit for basic earnings per share	**9,281**	36,463
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for basic and diluted earnings per share	**1,986,606**	1,986,606

The Group has no potentially dilutive ordinary shares in issue for the six months ended 30th June 2013.

The computation of diluted earnings per share for the six months ended 30th June 2012 did not assume the exercise of the outstanding share options as the impact of the exercise of the share options was anti-dilutive.

11. INVESTMENT PROPERTY

Investment property is located in the PRC and is held under medium-term lease.

12. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group acquired property, plant and equipment of approximately HK$1,359,000 (Six months ended 30th June 2012: approximately HK$19,000).

13. AVAILABLE-FOR-SALE FINANCIAL ASSETS

These were all unlisted equity investments and are stated at cost less provision for impairment because the range of reasonable fair value estimates is so significant that the directors are of the opinion that their fair value cannot be measured reliably. Full impairment was made as at 31st December 2012.

During the period, the Group disposed all available-for-sale financial assets at a cash consideration of approximately HK$1,280,000 and a gain on disposal of available-for-sale financial assets of approximately HK$1,280,000 was recognised to profit or loss (Six months ended 30th June 2012: Nil).

14. PROPERTY HELD FOR SALE

Property held for sale is stated at cost, situated in Hong Kong and is held under long-term lease.

15. TRADE RECEIVABLES

A defined credit policy is maintained with the Group. The general credit terms range between one and three months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by senior management.

Ageing analysis of trade receivables at the reporting date, based on invoice date, net of allowance, is as follows:

	30th June 2013 *HK$'000* **(Unaudited)**	31st December 2012 *HK$'000* (Audited)
Within 30 days	**95**	198
31 to 90 days	**2**	–
91 to 180 days	**4**	–
	101	198

16. LOANS AND RECEIVABLES

	30th June 2013 *HK$'000* **(Unaudited)**	31st December 2012 *HK$'000* (Audited)
Loans and receivables	**7,469**	132,469
Provision for impairment loss	**(2,469)**	(2,469)
Total of loans and receivables	**5,000**	130,000
– Secured	**2,469**	132,469
– Unsecured	**5,000**	–
	7,469	132,469
Provision for impairment loss	**(2,469)**	(2,469)
Total of loans and receivables	**5,000**	130,000

The carrying amount of loans and receivables of HK$5,000,000 have been fully repaid on 3rd July 2013.

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The balances as at 30th June 2013 and 31st December 2012 represented the investments in Hong Kong listed equity securities, which were held for trading and measured at fair value. The fair value measurement of these financial assets is further detailed in note 19.

18. OTHER PAYABLES, DEPOSITS RECEIVED AND ACCRUED CHARGES

As at 30th June 2013, the balances included the tenancy deposits amounting to approximately HK$3,985,000 received from tenants (31st December 2012: approximately HK$3,940,000).

19. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categories into three levels:

Level 1 – Quoted market price in an active market for an identical instrument.

Level 2 – Valuation techniques based on observable input. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3 – Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

	30th June 2013			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Recurring fair value measurement				
Listed equity securities held for trading in Hong Kong	**23,024**	**–**	**–**	**23,024**

During the six months ended 30th June 2013, there were no transfers between Level 1 and Level 2 or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

20. SET OFF ARRANGEMENT

On 27th October 2012, the Group entered into a sale and purchase agreement (the "Disposal Agreement") with Thing On Group Limited ("Thing On"), its former ultimate holding company relating to the disposal of 100% equity interest of Asset Partners Group Limited and its former wholly-owned subsidiaries, Value Shine Limited and its former wholly-owned subsidiary, Trinity Sino Limited, Stadium Holdings Limited and Grandtex Development Limited (collectively the "Disposal Companies") and the shareholders' loan of HK$875,123,000 for a total consideration of HK$867,786,000. The consideration was satisfied by the issuance of the promissory note receivable of HK$867,786,000. The promissory note receivable was unsecured, interest bearing at 2% per annum and maturity within 60 days from the issue date of the promissory note receivable.

The completion of disposal of the Disposal Companies to Thing On was on the condition that the payment of special dividend was approved by the shareholders of the Company at the special general meeting held on 24th December 2012. Pursuant to the principal terms of the promissory note receivable, it was automatically redeemed by Thing On at the date of payment of the special dividend by offsetting in whole or in part of Thing On's entitlement to the special dividend ("Set-off Arrangement") by an amount equal to the sum of the principal amount of the promissory note receivable and interest thereon accrued up to the redemption date. As at 31st December 2012, Thing On was entitled to a total special dividend of HK$898,033,000 while the other shareholders were entitled to a total special dividend of HK$333,663,000. The respective promissory note receivable of HK$867,786,000 and part of the special dividend payable of HK$867,786,000 entitled by Thing On were offset and recognised in a net basis and the remaining net amount of dividend payable of HK$363,910,000 was recognised in the condensed consolidated statement of financial position as at 31st December 2012.

21. EVENTS AFTER THE REPORTING PERIOD

Landsea Group Co. Ltd. ("Landsea Group"), the ultimate holding company of Greensheid Corporation, controlling shareholder of the Company, granted to Nanjing Langming Property Development Limited, a newly set up wholly-owned subsidiary of the Company as lender, two respective entrusted loans in a principal amount of RMB100,000,000 and an amount of up to RMB400,000,000 bearing interest at the rate of 5.5% per annum on 26th August 2013 and 28th August 2013 respectively to support the Group's future property development projects. Details of the above have been set out in the announcement of the Company dated 28th August 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS

Revenue of the Group for the six months ended 30th June 2013 amounted to approximately HK$27,162,000, representing a decrease of approximately 38.2% as compared to approximately HK$43,928,000 in the corresponding period in 2012. The decrease in revenue was mainly due to decrease in rental income resulting from substantial disposal of investment properties in the fourth quarter of 2012.

For the six months ended 30th June 2013, gross profit of the Group was approximately HK$22,879,000 (corresponding period in 2012: approximately HK$37,456,000), representing a decrease of approximately 38.9%. The decrease was mainly attributable to the decrease in revenue.

Administrative expenses of the Group during the six months ended 30th June 2013 was approximately HK$11,549,000, decreased by approximately HK$4,789,000 (29.3%) as compared with the corresponding period in 2012. The decrease in the administrative expenses was mainly due to the decrease in exchange loss from approximately HK$10,336,000 for the six months ended 30th June 2012 to approximately HK$663,000 for the six months ended 30th June 2013.

During the six months ended 30th June 2013, the Group's fair value loss on financial assets at fair value through profit or loss was approximately HK$5,115,000 (corresponding period in 2012: gain on financial assets of approximately HK$6,442,000).

For the six months ended 30th June 2013, the Group's profit after tax was approximately HK$9,281,000 (corresponding period in 2012: approximately HK$36,463,000), a decrease by approximately 74.5% as compared with the corresponding period of 2012 according to the aforesaid reasons.

BUSINESS REVIEW AND PROSPECTS

Property Development and Trading

The property businesses of the Group are mainly property development and trading, and property investments. As at 30th June 2013, the Group was in possession of a commercial property for sale in Central, Hong Kong. For both six months ended 30th June 2013 and 30th June 2012, no property held for sale was sold by the Group.

Pursuant to the sale and purchase agreement dated on 9th June 2013 (please see details in "Change in Controlling Shareholder" below) and the following general offer (please see the details in "General Offer" below), Landsea Group Co., Ltd. ("Landsea Group"), through its indirect wholly-owned subsidiary, Greensheid Corporation ("Greensheid"), acquired and controls 63.5% of equity of the Company. Landsea Group is a leading green property development enterprise in mainland China. The Company will be the only listed platform under the Landsea Group engaging in green residential property development business. Landsea Group will endeavor to enhance the project portfolio, asset base and brand image of the Company by utilizing Landsea Group's financial, human and technological resources to support the Company's future property development projects and other investments as and when appropriate, and intends to continue the Company's existing property investment, development and management businesses in Hong Kong and the PRC. Subject to the compliance of the relevant laws and regulations, the Company will further consider acquiring high quality assets/ businesses with a view to facilitating the development of the Company when suitable opportunities arise. The Company is expecting to become a listed property company in Hong Kong with unique "Green" characteristics and outstanding business performance. In view of its existing financial resources, the Company will actively seek financial support (including financial support with better than the normal commercial terms or other financing means) from the controlling Shareholder.

Property Investment

The Group's investment property, namely Dawning Tower, located in Shenzhen, the PRC, continued to maintain a high occupancy rate. The Group recognised an income of approximately HK$12,840,000 during the six months ended 30th June 2013, representing an increase of approximately 8.2% over the same period of last year in the amount of approximately HK$11,872,000. Since Dawning Tower is located in a prime location and its property management team continued to perform an excellent service, it is expected that the occupancy rate will maintain at a high level in the second half of 2013. High occupancy rate and effective cost control of Dawning Tower have secured steady net operating profit from the building.

In the first half of 2013, rental income from all properties of the Group in Hong Kong was approximately HK$611,000, a decrease of approximately 93.2% as compared to approximately HK$9,018,000 of corresponding period in 2012. Such substantial decrease was due to substantial disposal of investment properties located in Hong Kong in the fourth quarter of 2012.

Capital Market Investment and Financial Services

The Group's investments in capital market comprise mainly investments in equity securities of listed companies in Hong Kong. In the first half of 2013, the Group recorded a loss of approximately HK$5,115,000 (corresponding period in 2012: gain of approximately HK$6,442,000) from the capital market investments, as there was persistent turbulence in Hong Kong capital market during the period.

The financial services of the Group were mainly the provision of short to medium-term loans to customers. The financial services business of the Group recorded a profit of approximately HK$13,027,000 (corresponding period in 2012: approximately HK$18,290,000) for the six months ended 30th June 2013.

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group maintained its strong liquidity level, with the Group's cash and cash equivalents totaling approximately HK$365,802,000 as at 30th June 2013 (31st December 2012: approximately HK$613,514,000). Current ratio as at 30th June 2013 was 29.5 times while that as at 31st December 2012 was 2.0 times. As at 30th June 2013 and 31st December 2012, the Group did not raise any bank loans. As at 30th June 2013 and 31st December 2012, the Group's gearing ratio (on the basis of total borrowings divided by shareholders' equity) was maintained at a level of zero.

Pledge of Assets

As of 30th June 2013 and 31st December 2012, the Group had no pledge of assets and bank deposits in order to obtain general banking facilities or short-term bank borrowings.

Employees' Remuneration and Benefits

The Group had 19 employees including managerial, executive, technical and general staffs in Hong Kong and the PRC as at 30th June 2013 (31st December 2012: 24). The level of remuneration, promotion and the magnitude of remuneration adjustment are justified according to their job duties, working performance and professional experience. All staffs and Executive Directors in Hong Kong have participated in the mandatory provident fund scheme.

Foreign Exchange and Currency Risk

All income and funds applied to the direct costs, the purchases of equipment and the payments of salaries are denominated in HK$ and Renminbi ("RMB"); therefore, it was not necessary to use any financial instruments for hedging purpose, and the Group's exposure to the fluctuation of the exchange risk is minimal. During the period, the Group was not engaged in any hedging activities. As at 30th June 2013, cash and cash equivalents and financial assets of the Group were mainly denominated in HK$, RMB and US dollars.

Substantial Acquisition and Disposal

The Group did not participate in any substantial acquisition or disposal during six months ended 30th June 2013.

Contingent Liabilities

The Group had no material contingent liability as at 30th June 2013.

OTHER INFORMATION

CHANGE OF COMPANY NAME

The shareholders of the Company has approved the special resolution at the special general meeting of the Company held on 31st July 2013 to change the English name of the Company from "Shenzhen High-Tech Holdings Limited" to "Landsea Green Properties Co., Ltd." and to adopt "朗詩綠色地產有限公司" as the new secondary name of the Company in Chinese. The Certificate of Incorporation on Change of Name and the Certificate of Secondary Name were issued by the Registrar of Companies in Bermuda on 6th August 2013 and 7th August 2013 respectively, and the change of company name was become effective from 5th August 2013.

CHANGE IN CONTROLLING SHAREHOLDER

On 9th June 2013, Thing On Group Limited (the "Thing On") as the vendor, Mr. Wong Chung Tak, Richard as the vendor's guarantor, Greensheid as the purchaser and the Mr. Tian Ming as the purchaser's guarantor, entered into a share and purchase agreement, pursuant to which Thing On agreed to sell and Greensheid agreed to acquire a total of 1,260,000,000 shares of the Company, representing approximately 63.4% of the entire issued share capital of the Company, for a total consideration of HK$863,100,000 (the "Acquisition of Shares").

Upon completion of the Acquisition of Shares on 19th June 2013, Greensheid became the new controlling shareholder of the Company.

GENERAL OFFER

Upon completion of the Acquisition of Shares by Greensheid on 19th June 2013, pursuant to Rule 26.1(a) of the Hong Kong Code on Takeovers and Mergers, Greensheid was required to make a mandatory unconditional cash offer (the "Offer") to acquire all the issued shares (the "Shares") of the Company not already owned and/or agreed to be acquired by it and/or parties acting in concert with it at an offer price of HK$0.685 per Share.

The Offer was closed on 30th July 2013, and Greensheid had received valid acceptances in respect of 1,709,743 Shares, representing approximately 0.1% of the total issued share capital of the Company, under the Offer. As a result, Greensheid and parties acting in concert with it are interested in an aggregate of 1,261,709,743 Shares, representing approximately 63.5% of the total issued shares capital of the Company.

CHANGE IN DIRECTORS

At the special general meeting of the Company held on 31st July 2013, the shareholders approved the appointment of (i) Mr. Tian Ming, Ms. Shen Leying, Mr. Xie Yuanjian, Mr. Liu Da and Mr. Ding Feng as executive Directors of the Company; and (ii) Mr. Xu Xiaonian, Mr. Ding Yuan and Mr. Lee Kwan Hung as independent non-executive Directors of the Company.

On 31st July 2013, (i) Mr. Liu Sing Piu, Chris and Mr. Wong Ngo, Derick resigned as non-executive Directors of the Company; (ii) Mr. Chung Koon Yan, Mr. Lee Kuo Ching, Stewart and Miss Chong Kally resigned as independent non-executive Directors of the Company; (iii) Mr. Wong Chung Tak, Richard has been re-designated from an executive Director to a non-executive Director of the Company; and (iv) Mr. Tian Ming was appointed as the Chairman of the Company in place of Mr. Wong Chung Tak, Richard.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

At no time during the period was the Company or any of its subsidiaries, a party to any arrangements to enable the Company's Directors or chief executives to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIVIDEND

The Board resolved not to declare the payment of interim dividend for the six months ended 30th June 2013 (Six months ended 30th June 2012: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.

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 Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") as its own code of conduct regarding Directors' securities transactions.

The Company confirms that, having made specific enquiry of all the Directors, all Directors have complied with the required standards as set out in the Model Code during the six months ended 30th June 2013.

CORPORATE GOVERNANCE PRACTICES

The Company has all along committed to fulfilling its responsibilities to its shareholders by ensuring that the proper processes for supervision and management of the Group's businesses are duly operated and reviewed and that good corporate governance practices and procedures are established throughout the six months ended 30th June 2013.

The Company has adopted the code provisions set out in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules as its own code of corporate governance.

During the six months ended 30th June 2013, the Company was in compliance with all relevant code provisions set out in the CG Code except for the deviations as explained below:

- code provision A.2.1 of the CG Code requires that the responsibilities between the chairman and chief executive officer (the "CEO") should be segregated. During the six months ended 30th June 2013, the Company did not have an officer with the title of CEO. The CEO's duties have been performed by the Board.

  Ms. Shen Leying, who was appointed as an executive Director and the CEO of the Company on 31st July 2013, has taken up the responsibilities of the CEO since 31st July 2013.

- code provision A.4.1 of the CG Code requires that non-executive directors should be appointed for a specific term and subject to re-election. During the six months ended 30th June 2013, all the non-executive Directors of the Company are not appointed for a specific term but they are subject to the retirement by rotation at least once every three years in accordance with the bye-laws of the Company ("Bye-Laws").

  On 31st July 2013, Mr. Wong Chung Tak, Richard was re-designated as a non-executive Director of the Company for a term of one year commencing from 31st July 2013, and Mr. Xu Xiaonian, Mr. Ding Yuan and Mr. Lee Kwan Hung were appointed as independent non-executive Directors of the Company for a term of three years commencing from 31st July 2013, all of them are subject to the retirement by rotation at least once every three years in accordance with the Bye-Laws.

- code provision D.1.4 of the CG Code requires that the Company should have formal letters of appointment for directors setting out the key terms and conditions of their appointments. During the six months ended 30th June 2013, the Company did not have formal letters of appointment for Directors. However, the Directors shall be subject to retirement by rotation at least once every three years in accordance with the Bye-Laws. In addition, the Directors are required to refer to the guidelines set out in "A Guide on Directors' Duties" issued by the Companies Registry and "Guidelines for Directors" and "Guide for Independent Non-Executive Directors" (if applicable) published by the Hong Kong Institute of Directors in performing their duties and responsibilities as Directors of the Company. Besides, the Directors are required to comply with the requirements under statute and common law, the Listing Rules, legal and other regulatory requirements and the Company's business and governance policies.

On 31st July 2013, the Company entered into (i) a service agreement with each of Mr. Tian Ming, Ms. Shen Leying, Mr. Xie Yuanjian, Mr. Liu Da and Mr. Ding Feng, all of them were appointed as executive Directors of the Company on 31st July 2013; and (ii) an appointment letter with each of Mr. Wong Chung Tak, Richard, who was re-designated as a non-executive Director of the Company on 31st July 2013; and (iii) Mr. Xu Xiaonian, Mr. Ding Yuan and Mr. Lee Kwan Hung, all of them were appointed as independent non-executive Directors of the Company on 31st July 2013, which have setting out the key terms and conditions of their appointments.

Save as those mentioned above and in the opinion of the Directors, the Company has met the relevant code provisions set out in the CG Code during the six months ended 30th June 2013.

AUDIT COMMITTEE

The Audit Committee currently comprises three independent non-executive Directors, including Mr. Ding Yuan (as chairman), Mr. Xu Xiaonian and Mr. Lee Kwan Hung. The principal duties of the Audit Committee include the review of the Company's financial reporting procedure, internal controls and results of the Group. The unaudited condensed consolidated interim financial statements have been reviewed by the Audit Committee.

By order of the Board
Landsea Green Properties Co., Ltd.
Tian Ming
Chairman

Hong Kong, 30th August 2013

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Tian Ming, Ms. Shen Leying, Mr. Xie Yuanjian, Mr. Liu Da and Mr. Ding Feng, one non-executive Director, namely Wong Chung Tak, Richard, and three independent non-executive Directors, namely Mr. Xu Xiaonian, Mr. Ding Yuan and Mr. Lee Kwan Hung.