GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED
金輪天地控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1232)

PRELIMINARY ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

FINANCIAL HIGHLIGHTS

1. Profit attributable to shareholders increased by 14.2% to RMB316.1 million (2012: RMB276.9 million) with Earnings Per Share amounted to RMB0.177 per share.

2. Revenue amounted to RMB871.3 million, representing a decrease of 9.6% compared with 2012.

3. Shareholders' funds increased by 29.6% to RMB3,524.3 million (2012: RMB2,719.1 million) with net asset value per share amounted to RMB1.98 per share for the year ended 31 December 2013. Note[1]

4. Land bank increased substantially by 174% to 972,000 sq.m. as at 31 December 2013 (2012: 355,000 sq.m.). Note[2]

5. Net gearing ratio maintained at a low level of 10.0% (2012: 10.1%). Note[3]

6. The Board proposed a final dividend of RMB3.55 cents per share, representing a payout ratio of approximately 49% of 2013 net core profit.

Notes:

1 Net asset value per share is calculated by shareholders' funds divided by weighted average number of shares

2 Land bank representing total gross floor area ("GFA") of unsold completed properties, properties under development and investment properties

3 Net gearing ratio is calculated by total borrowings net of total bank deposits and cash divided by shareholders' funds

The board of directors (the "**Board**") of Golden Wheel Tiandi Holdings Company Limited (the "**Company**") is pleased to announce that the annual consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2013, together with the comparative figures for the preceding year.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2013

	NOTES	**2013** ***RMB'000***	2012 *RMB'000* (Restated)
Revenue	*3*	**871,275**	963,717
Cost of sales		**(569,190)**	(471,190)
Gross profit		**302,085**	492,527
Other income, expenses, gains and losses	*4*	**19,263**	(553)
Selling and marketing expenses		**(17,744)**	(12,888)
Administrative expenses		**(85,437)**	(57,087)
Finance costs	*5*	**(43,795)**	(4,189)
Share of loss of an associate		**(1,307)**	(1,286)
Changes in fair value of investment properties		**246,814**	81,908
Profit before tax	*6*	**419,879**	498,432
Taxation	*7*	**(103,738)**	(213,639)
Profit and total comprehensive income for the year		**316,141**	284,793
Profit and total comprehensive income attributable to:			
Owners of the Company		**316,141**	276,877
Non-controlling interests		**–**	7,916
		316,141	284,793
EARNINGS PER SHARE			
– Basic *(RMB per share)*	*8*	**0.177**	0.205
– Diluted *(RMB per share)*	*8*	**0.177**	0.205

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

	NOTES	**2013** **RMB'000**	2012 RMB'000
Non-current assets			
Property, plant and equipment	*10*	**125,035**	113,280
Investment properties	*11*	**3,699,850**	3,230,600
Interest in an associate		**–**	1,307
Interest in a joint venture		**6,000**	–
Deferred tax assets		**12,569**	38,595
Held for trading investments		**12,984**	–
Bank deposits:			
– Restricted bank deposits		**298,185**	–
		4,154,623	3,383,782
Current assets			
Properties under development for sale		**554,862**	738,043
Completed properties for sale		**208,944**	181,690
Leasehold land held for development for sale		**325,875**	–
Trade and other receivables	*12*	**92,652**	28,887
Deposit and prepayment		**–**	10,000
Prepayments for leasehold land held for development for sale		**487,347**	90,453
Tax prepaid		**28,766**	11,535
Held for trading investments		**11,448**	8,221
Available-for-sale investments		**47,697**	–
Bank deposits and cash:			
– Structured bank deposits		**215,000**	–
– Restricted bank deposits		**168,436**	128,653
– Bank balances and cash		**790,635**	98,679
		2,931,662	1,296,161
Current liabilities			
Trade and other payables	*13*	**356,671**	239,448
Rental received in advance		**14,405**	19,797
Deposits and prepayments received from pre-sale of properties		**395,951**	221,431
Land appreciation tax and income tax liabilities		**197,884**	262,744
Bank borrowings – due within one year		**475,187**	192,283
		1,440,098	935,703

	2013	2012
	RMB'000	*RMB'000*
Net current assets	**1,491,564**	360,458
Total assets less current liabilities	**5,646,187**	3,744,240
Non-current liabilities		
Bank borrowings – due after one year	**765,205**	309,615
Rental received in advance	**20,000**	25,650
Senior notes	**583,241**	–
Deferred tax liabilities	**753,408**	689,897
	2,121,854	1,025,162
Net assets	**3,524,333**	2,719,078
Capital and reserves		
Share capital	**113,099**	128
Reserves	**3,411,234**	2,718,950
Equity attributable to owners of the Company	**3,524,333**	2,719,078
Total equity	**3,524,333**	2,719,078

NOTES

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The Company's shares have been listed on 16 January 2013 on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**").

The principal activities of the Group are engaged in property development and property leasing in the People's Republic of China ("**PRC**"). The Group is an integrated commercial and residential property developer, owner and operator, including leasing of self-owned properties and sub-lease of rented properties, in the PRC, and focuses on developing projects in Jiangsu and Hunan provinces that are physically connected or in close proximity to metro stations or other transportation hubs.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

(a) New and revised IFRSs adopted during the year

In the current year, the Group has applied a number of new and revised IFRSs issued by the International Accounting Standards Board ("**IASB**") that are mandatorily effective for an accounting period that begins on or after 1 January 2013.

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

The Group has applied the amendments to IFRS 7 *Disclosures-Offsetting Financial Assets and Financial Liabilities* for the first time in the current year. The amendments to IFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amendments have been applied retrospectively. As the Group does not have any offsetting arrangements in place, the application of the amendments has had no material impact on the disclosures or on the amounts recognised in the consolidated financial statements.

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In May 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued comprising IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements*, IFRS 12 *Disclosure of Interests in Other Entities*, International Accounting Standard ("**IAS**") 27 (as revised in 2011) *Separate Financial Statements* and IAS 28 (as revised in 2011) *Investments in Associates and Joint Ventures*. Subsequent to the issue of these standards, amendments to IFRS 10, IFRS 11 and IFRS 12 were issued to clarify certain transitional guidance on the first-time application of the standards.

In the current year, the Group has applied for the first time IFRS 10, IFRS 11, IFRS 12 and IAS 28 (as revised in 2011) together with the amendments to IFRS 10, IFRS 11 and IFRS 12 regarding the transitional guidance. IAS 27 (as revised in 2011) is not applicable to the Group as it deals only with separate financial statements.

The major impact of the application of these standards is set out below.

Impact of the application of IFRS 10

IFRS 10 replaces the parts of IAS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements and SIC-12 *Consolidation-Special Purpose Entities* issued by the Standing Interpretations Committee. IFRS 10 changes the definition of control such that an investor has control over an investee when a) it has power over the investee, b) it is exposed, or has rights, to variable returns from its involvement with the investee and c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in IFRS 10 to explain when an investor has control over an investee.

Impact of the application of IFRS 11

IFRS 11 replaces IAS 31 *Interests in Joint Ventures*, and the guidance contained in a related interpretation, SIC-13 *Jointly Controlled Entities – Non-Monetary Contributions by Ventures* issued by the Standing Interpretations Committee, has been incorporated in IAS 28 (as revised in 2011). IFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified and accounted for. Under IFRS 11, there are only two types of joint arrangements – joint operations and joint ventures. The classification of joint arrangements under IFRS 11 is determined based on the rights and obligations of parties to the joint arrangements by considering the structure, the legal form of the arrangements, the contractual terms agreed by the parties to the arrangement, and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint venturers) have rights to the net assets of the arrangement. Previously, IAS 31 contemplated three types of joint arrangements – jointly controlled entities, jointly controlled operations and jointly controlled assets. The classification of joint arrangements under IAS 31 was primarily determined based on the legal form of the arrangement (e.g. a joint arrangement that was established through a separate entity was accounted for as a jointly controlled entity).

The initial and subsequent accounting of joint ventures and joint operations is different. Investments in joint ventures are accounted for using the equity method (proportionate consolidation is no longer allowed). Investments in joint operations are accounted for such that each joint operator recognises its assets (including its share of any assets jointly held), its liabilities (including its share of any liabilities incurred jointly), its revenue (including its share of revenue from the sale of the output by the joint operation) and its expenses (including its share of any expenses incurred jointly). Each joint operator accounts for the assets and liabilities, as well as revenues and expenses, relating to its interest in the joint operation in accordance with the applicable Standards.

Impact of the application of IFRS 12

IFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the application of IFRS 12 has resulted in more extensive disclosures in the consolidated financial statements.

IFRS 13 Fair Value Measurement

The Group has applied IFRS 13 *Fair Value Measurement* for the first time in the current year. IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of IFRS 13 is broad; the fair value measurement requirements of IFRS 13 apply 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, except for share-based payment transactions that are within the scope of IFRS 2 *Share-based Payment*, leasing transactions that are within the scope of IAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

IFRS 13 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.

The Group adopts IFRS 13 from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, the Group has not made any new disclosures required by IFRS 13 for the 2012 comparative period. Other than the additional disclosures, the application of IFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

Amendments to IAS 1 Presentation of Items of Other Comprehensive Income

The Group has applied the amendments to IAS 1 *Presentation of Items of Other Comprehensive* Income for the first time in the current year. The amendments introduce new terminology, whose use is not mandatory, for the statement of comprehensive income and income statement. Under the amendments to IAS 1, "the statement of comprehensive income" is renamed as "the statement of profit or loss and other comprehensive income" and "the income statement" is renamed as "the 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 items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (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 option to present items of other comprehensive income either before tax or net of tax. 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.

Except as described above, the application of the other new or revised IFRSs in the current report period has had no material effect on the amounts reported and disclosures set out in these consolidated financial statements.

(b) New and revised IFRSs in issue but not yet effective

The Group has not early applied the following new and revised IFRS, that have been issued but are not yet effective:

Amendments to IFRS 10, IFRS 12 and IAS 27	Investment Entities[1]
Amendments to IAS 19	Defined Benefit Plans: Employee Contributions[2]
Amendments to IFRS 9 and IFRS 7	Mandatory Effective Date of IFRS 9 and Transition Disclosures[3]
Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities[1]
Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets[1]
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting[1]
Amendments to IFRSs	Annual Improvements to IFRSs 2010-2012 Cycle[4]
Amendments to IFRSs	Annual Improvements to IFRSs 2011-2013 Cycle[2]
IFRS 9	Financial Instruments[3]
IFRS 14	Regulatory Deferral Accounts[5]
IFRIC 21	Levies[1]

[1] *Effective for annual periods beginning on or after 1 January 2014*

[2] *Effective for annual periods beginning on or after 1 July 2014*

[3] *Available for application – the mandatory effective date will be determined when the outstanding phases of IFRS 9 are finalised*

[4] *Effective for annual periods beginning on or after 1 July 2014, with limited exceptions*

[5] *Effective for first annual IFRS financial statements beginning on or after 1 January 2016*

The directors of the Company anticipate that the application of these new or revised IFRSs will have no material impact on the consolidated financial statements of the Group in the period of initial application.

(c) Change in presentation of consolidated statement of profit or loss and other comprehensive income

In the current year, the directors of the Company decided to change the classification of certain line items in the consolidated statement of profit or loss and other comprehensive income by presenting property tax related to property leasing as part of the Group's cost of sales to better reflect the financial information of the Group's activities. Prior year figures have been re-presented to reflect the new presentation. The reclassification has had no net effect on the results of the Group for the year ended 31 December 2012.

The effect of changes in presentation for the prior year by line items presented in the consolidated statement of profit or loss and other comprehensive income is as follows:

	Original stated	Adjustments	Restated
	RMB'000	*RMB'000*	*RMB'000*
Cost of sales	(465,196)	(5,994)	(471,190)
Administrative expenses	(63,081)	5,994	(57,087)
Change in profit for the year 2012		–	

No consolidated statement of financial position as at 1 January 2012 has been presented as the change in accounting policy and re-classifications disclosed above have no effects on the financial position of the Group presented in the consolidated statement of financial position in respect of the end of the previous financial year.

3. REVENUE AND SEGMENT INFORMATION

The Group's chief operating decision maker has been identified as the executive directors of the Company. The information reported to the chief operating decision maker for purposes of resource allocation and performance assessment focuses specifically on respective businesses of the Group. The Group's operating and reportable segments are as follows:

Property development – Development and sale of properties

Property leasing – Property leasing (including lease of self-owned properties and sub-lease of rented properties)

Segment revenue and results

	Property development *RMB'000*	Property leasing *RMB'000*	Total *RMB'000*
For the year ended 31 December 2013			
Segment revenue	761,851	109,424	871,275
Segment gross profit	212,266	89,819	302,085
Allocated corporate expenses	(37,994)	(33,350)	(71,344)
Segment results	174,272	56,469	230,741
Other income, expenses, gains and losses			19,263
Finance costs			(43,795)
Unallocated corporate expenses			(31,837)
Share of loss of an associate			(1,307)
Changes in fair value of investment properties			246,814
Profit before tax			419,879
For the year ended 31 December 2012 (Restated)			
Segment revenue	863,428	100,289	963,717
Segment gross profit	411,438	81,089	492,527
Allocated corporate expenses	(33,277)	(26,894)	(60,171)
Segment results	378,161	54,195	432,356
Other income, expenses, gains and losses			(553)
Finance costs			(4,189)
Unallocated corporate expenses			(9,804)
Share of loss of an associate			(1,286)
Changes in fair value of investment properties			81,908
Profit before tax			498,432

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the reporting year.

The accounting policies of the operating and reportable segments information are the same as the Group's accounting policies. Segment results represents the profit earned by each segment without allocation of central administration costs, changes in fair value of investment properties, other income, expenses, gains and losses, share of loss of an associate and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

	Property development *RMB'000*	Property leasing *RMB'000*	Total *RMB'000*
As at 31 December 2013			
Segment assets	1,630,725	3,805,042	5,435,767
Property, plant and equipment			21,083
Other receivables, deposits and prepayments			37,714
Bank deposits and cash			1,472,256
Other unallocated assets			119,465
Total assets			7,086,285
Segment liabilities	614,750	90,156	704,906
Land appreciation tax and income tax liabilities			197,884
Bank borrowings			1,240,392
Senior notes			583,241
Deferred tax liabilities			753,408
Other unallocated liabilities			82,121
Total liabilities			3,561,952
As at 31 December 2012			
Segment assets	1,011,318	3,334,077	4,345,395
Property, plant and equipment			16,567
Other receivables, deposits and prepayments			30,989
Bank deposits and cash			227,332
Other unallocated assets			59,660
Total assets			4,679,943
Segment liabilities	424,936	45,446	470,382
Land appreciation tax and income tax liabilities			262,744
Bank borrowings			501,898
Deferred tax liabilities			689,897
Other unallocated liabilities			35,944
Total liabilities			1,960,865

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

- Other than investment properties, completed carparks and carparks under construction (included in property, plant and equipment), leasehold land held for development for sale, properties under development for sale, completed properties for sale, trade receivables and prepayment for leasehold land held for development for sale, all other assets are not allocated to segment assets; and
- Other than trade payables, deposits and prepayments received from pre-sale of properties and rental received in advance, all other liabilities are not allocated to segment liabilities.

No single customer of the Group contributed 10% or more to the Group's revenue for the year ended 31 December 2013 (2012: Nil).

The Group's revenue from external customers is derived solely from its operations in the PRC, and non-current assets of the Group are mainly located in the PRC.

4. OTHER INCOME, EXPENSES, GAINS AND LOSSES

(1) Other income

	2013	2012
	RMB'000	*RMB'000*
Interest income from bank deposits	**10,402**	3,343
Imputed interest income on amount due from a related company	**–**	4,024
Interest income from financial instruments	**3,301**	–
Others	**–**	1,556
	13,703	8,923

(2) Other gains and losses

	2013	2012
	RMB'000	*RMB'000*
Loss on disposal of property, plant and equipment	**(826)**	–
Loss on disposal of held for trading investments	**(32)**	–
Changes in fair value of held for trading investments	**24,432**	2,325
Net foreign exchange (losses) gains	**(11,571)**	1,018
	12,003	3,343

(3) Other expenses

	2013	2012
	RMB'000	*RMB'000*
Listing expenses	**(4,400)**	(12,819)
Others	**(2,043)**	–
	(6,443)	(12,819)

5. FINANCE COSTS

	2013	2012
	RMB'000	*RMB'000*
Interests on bank loans wholly repayable within five years	**44,317**	32,272
Interests on senior notes wholly repayable within five years	**49,793**	–
Less: Amount capitalized to properties under development for sale and investment properties under development	**(50,315)**	(28,083)
	43,795	4,189

6. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging (crediting):

	2013	2012
	RMB'000	*RMB'000*
		(Restated)
Directors' remunerations	**16,294**	2,314
Other staff costs:		
– Salaries and other benefits	**33,264**	27,791
– Retirement benefit scheme contributions	**5,017**	3,642
Total staff costs	**54,575**	33,747
Less: Amount capitalized to properties under development for sale and investment properties under development	**(9,086)**	(6,641)
	45,489	27,106
Rental income in respect of investment properties	**(109,424)**	(100,289)
Less: Direct operating expenses of investment properties that generated rental income	**13,804**	13,204
	(95,620)	(87,085)
Cost of properties sold	**506,935**	404,482
Depreciation of property, plant and equipment	**5,045**	7,138
Rental expenses of properties under operating lease	**5,801**	5,801

7. TAXATION

	2013	2012
	RMB'000	*RMB'000*
Current tax:		
– PRC enterprise income tax ("EIT")	**53,505**	99,382
– Land appreciation tax	**28,020**	105,500
– Withholding tax on distribution of earnings from PRC subsidiaries	**–**	3,628
– Over provision of land appreciation tax in prior years *(note)*	**(67,324)**	–
	14,201	208,510
Deferred tax	**89,537**	5,129
	103,738	213,639

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group had no assessable profit in Hong Kong.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the Group's PRC subsidiaries is 25%.

According to the requirements of the Provisional Regulations of the PRC on Land Appreciation Tax ("**LAT**")（中華人民共和國土地增值稅暫行條例）effective from 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT（中華人民共和國土地增值稅暫行條例實施細則）effective from 27 January 1995, all income from the sale or transfer of state-owned land use rights and buildings in the PRC (being the proceeds of sales of properties less deductible expenditures including borrowing costs and property development expenditures) is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation of land value; with an exemption provided for property sales of ordinary residential properties（普通標準住宅）if their appreciation values do not exceed 20% of the sum of the total deductible items.

During the year, the Group estimated and made provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects, and the LAT determined by the tax authorities might be different from the basis on which the provision for LAT is calculated. The EIT and LAT liabilities are recorded in the land appreciation tax and income tax liabilities of the consolidated financial statements.

Note: During the year, the Group received notices from the relevant local tax authorities to finalize LAT calculations of two of its property projects, and pursuant to the tax laws, authorized certified tax accountants registered under the relevant rules and regulations in PRC were engaged to recalculate the LAT provision of those two property projects. Based on calculations made by the certified tax accountants, the final LAT provision for those two property projects were different from the LAT provision initially estimated and recognized by the Group. In particular, for one of the two property projects, a different cost allocation method was adopted by the certified tax accountant, and the costs allocated for LAT deduction purpose as calculated by the certified tax accountant were higher than the costs initially estimated by the Group. As a result, the land appreciation gain and the resulting LAT provision calculated by the certified tax accountants for those two property projects were different with the land appreciation gain and LAT provision initially estimated by the Group, and the methods of calculation adopted by the certified tax accountants and the revised LAT provision have been agreed by the respective local tax bureau (the "**Local Tax Bureau**"). Accordingly, the Group reversed LAT provision of approximately RMB67,324,000 overprovided in previous periods in relation to those two property projects and credited the same amount to profit or loss in the current year. As it is uncertain whether such basis would be acceptable to the Local Tax Bureau for other projects or to other tax bureau in different tax justifications, the Group has not reversed LAT provision for other projects.

The tax charge for the both years can be reconciled to the accounting profit as follows:

	2013	2012
	RMB'000	*RMB'000*
Profit before tax	**419,879**	498,432
Tax at PRC EIT rate of 25%	**104,970**	124,608
Tax effect of expenses not deductible for tax purpose	**24,140**	2,288
Tax effect of income not taxable for tax purpose	**(8,640)**	(2,401)
Effect of tax losses not recognized	**11,973**	1,034
Utilisation of tax losses previously not recognized	**(1,034)**	–
LAT	**(39,304)**	105,500
Tax effect of LAT	**9,826**	(26,375)
Withholding tax on undistributed profit of PRC subsidiaries	**1,807**	8,985
	103,738	213,639

8. EARNINGS PER SHARE

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

	2013	2012
Earnings	***RMB'000***	*RMB'000*
Earnings for the purpose of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	**316,141**	276,877

	2013	2012
Number of shares	***'000***	*'000*
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,783,660**	1,349,969
Effect of dilutive potential ordinary shares attributable to over-allotment option	**60**	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**1,783,720**	1,349,969

The calculation of the weighted average number of ordinary shares for the purpose of basic earnings per share has taken into account the shares issued and outstanding during year and on the assumption that the Reorganization and Capitalization Issue as defined in the Company's prospectus dated 31 December 2012 have been effective on 1 January 2012.

For the year ended 31 December 2012, diluted earnings per share were the same as basic earnings per share as no diluted potential ordinary shares were outstanding.

9. DIVIDENDS

	2013	2012
	RMB'000	*RMB'000*
Dividends recognised as distribution during the year:		
Final dividend for the year ended 31 December 2012 of RMB0.0555 (year ended 31 December 2011: RMB nil) per share	**100,000**	–
Dividend paid prior to Reorganization	**–**	5,884

Prior to the Reorganization, Nanjing Jade Golden Wheel Realty Co., Ltd. and Yangzhou Golden Wheel Real Estate Development Co., Ltd., subsidiaries of Golden Wheel International Investment Limited, had declared and paid dividends to their equity holders, in which an aggregate of RMB5,884,000 was paid to their then non-controlling shareholder during the year ended 31 December 2012. During the year, a final dividend of RMB0.0555 in respect of the year ended 31 December 2012 per share has been declared and paid.

Subsequent to 31 December 2013, a final dividend of RMB0.0355 in respect of the year ended 31 December 2013 per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

10. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings	Motor vehicles	Computers and office equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost						
At 1 January 2012	40,020	2,826	1,702	11,146	40,827	96,521
Additions	–	232	246	–	9,167	9,645
Transfers	35,483	–	–	–	(35,483)	–
Transfer from completed properties for sale	793	–	–	–	–	793
Acquisition of subsidiaries	–	78	–	–	21,713	21,791
Disposals	–	–	(286)	–	–	(286)
At 31 December 2012	76,296	3,136	1,662	11,146	36,224	128,464
Additions	–	1,428	1,944	78	12,775	16,225
Transfer from completed properties for sale	1,905	–	–	–	–	1,905
Disposals	(1,272)	–	(346)	–	–	(1,618)
At 31 December 2013	76,929	4,564	3,260	11,224	48,999	144,976
Depreciation						
At 1 January 2012	1,802	2,542	1,049	2,939	–	8,332
Provided for the year	4,439	133	337	2,229	–	7,138
Eliminated on disposals	–	–	(286)	–	–	(286)
At 31 December 2012	6,241	2,675	1,100	5,168	–	15,184
Provided for the year	1,990	218	448	2,389	–	5,045
Eliminated on disposals	(98)	–	(190)	–	–	(288)
At 31 December 2013	8,133	2,893	1,358	7,557	–	19,941
Carrying Value						
At 31 December 2012	70,055	461	562	5,978	36,224	113,280
At 31 December 2013	68,796	1,671	1,902	3,667	48,999	125,035

The land and buildings of the Group comprising land use rights and buildings in the PRC where the cost of land use rights cannot be separated reliably. The land use rights is classified as a finance lease, and the land and buildings are amortized and depreciated between 20 to 36 years using straight-line method.

The following useful lives are used in the calculation of depreciation of other property, plant and equipment:

Motor vehicles	–	4 years
Computers and office equipment	–	3 years
Leasehold improvements	–	over the lease period or 5 years, whichever is shorter

As at 31 December 2013, land and buildings with carrying amount of approximately RMB11,280,000 (2012: RMB12,200,000) were pledged to banks to secure certain banking facilities granted to the Group.

As at 31 December 2013, construction in progress with carrying amount of approximately RMB31,472,000 (2012: RMB20,380,000) was pledged to banks to secure certain banking facilities granted to the Group.

The land and buildings are held under medium-term land leases in the PRC.

11. INVESTMENT PROPERTIES

	Completed investment properties	**Investment properties under development**	**Leasehold land held for development into investment properties**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Fair Value				
At 1 January 2012	2,850,000	–	–	2,850,000
Additions	–	15,092	–	15,092
Acquisition of subsidiaries	45,600	238,000	–	283,600
Increase in fair value	75,000	6,908	–	81,908
At 31 December 2012	2,970,600	260,000	–	3,230,600
Additions	–	89,409	121,853	211,262
Transfer from completed properties for sale	11,174	–	–	11,174
Increase in fair value	115,426	57,591	73,797	246,814
At 31 December 2013	3,097,200	407,000	195,650	3,699,850

The fair values of the Group's investment properties were arrived at on the basis of a valuation carried out at the end of the reporting and the date of acquisition of subsidiaries by CBRE HK Limited. CBRE HK Limited is a firm of independent valuers, who have qualifications such as members of The Hong Kong Institute of Surveyors. The Group's investment properties have been valued individually, on market value basis.

For completed investment properties, valuation was arrived at by making reference to the market transactions of comparable properties and on the basis of capitalization of the rental income derived from existing tenancies with due allowance for reversionary income potential of the properties, where appropriate. The valuation of investment properties under development and leasehold land held for development into investment properties was carried at by making reference to the market transactions of comparable properties.

As at 31 December 2013, the Group's investment properties with a carrying amount of approximately RMB2,360,900,000 (2012: RMB2,156,000,000) were pledged to banks to secure certain banking facilities granted to the Group.

12. TRADE AND OTHER RECEIVABLES

	2013	2012
	RMB'000	*RMB'000*
Trade receivable	**54,938**	1,897
Other receivables	**12,536**	11,495
Advances to contractors	**960**	3,890
Other taxes prepaid	**24,218**	11,605
	92,652	28,887

Trade receivable mainly comprises certain consideration for sale of properties, rental receivable in respect of self-owned investment properties and sub-leased properties. The Group does not have a defined fixed credit policy as trade receivables are mainly sales of properties and rental receivable which are either settled by mortgage loans or with rental deposits. The Group offers credit term to the trade customers with reference to the expected timing of settlement from the customers, which is around 30 days, although a longer credit term may be extended to certain customers.

The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the date of delivery of properties/date of rendering of services which approximated the respective dates on which revenue was recognized.

	2013	2012
	RMB'000	*RMB'000*
0 to 30 days	**54,440**	1,119
181 to 365 days	**–**	711
Over 1 year	**498**	67
	54,938	1,897

At the end of the reporting period, included in the Group's accounts receivable are debtors with the following carrying amounts which are past due for which the Group has not provided for impairment loss, as there has not been a significant change in credit quality and amounts are still considered recoverable based on historical experience of the management. The Group does not hold any collateral over these balances.

Aging of trade receivables which are past due but not impaired:

	2013	2012
	RMB'000	*RMB'000*
0 to 30 days	**1,746**	765
181 to 365 days	**–**	711
Over 1 year	**498**	67
	2,244	1,543

13. TRADE AND OTHER PAYABLES

	2013	2012
	RMB'000	*RMB'000*
Trade payables:		
0 to 60 days	**191,845**	98,414
61 to 180 days	**13,165**	220
181 to 365 days	**–**	62,575
Over 1 year	**69,541**	42,296
	274,551	203,505
Deposits	**19,289**	14,036
Other taxes payable	**34,594**	1,723
Other payables and accrued expenses	**28,237**	20,184
	356,671	239,448

Generally, the average credit period taken for trade payables is about 60 days.

At 31 December 2013, trade payables include retention money of approximately RMB41,726,000. (2012: RMB31,647,000), which relates to 5% to 20% of the contract prices.

14. EVENTS AFTER THE REPORTING PERIOD

On 21 March 2014, Golden Wheel Coral Company Limited ("Golden Wheel Coral"), a subsidiary of the Company, and an independent third party (the "Investor") entered into a share subscription agreement (the "Share Subscription Agreement"), pursuant to which Golden Wheel Coral issues and allots 25,500 its shares at a consideration of US$25,500 to the Investor. On completion of the Share Subscription Agreement, the Group's equity interests in Golden Wheel Coral will be reduced from 100% to 49%. At the end of the reporting period, Golden Wheel Coral holds 100% interests in Golden Wheel International Famous Limited, which in turn holds 100% equity interest in Yangzhou Jade Golden Wheel Realty Co., Ltd.（揚州翡翠金輪置業有限公司）. Yangzhou Jade Golden Wheel Realty Co., Ltd. owns a piece of land in Yangzhou which is planned to be developed into commercial, office and residential properties. Details of the Share Subscription Agreement and others are set out in the Company's announcement dated 21 March 2014.

BUSINESS REVIEW

Overview

Projects completed during 2013

Two projects have been completed during 2013, namely Nanjing Jade Garden and Golden Wheel New Metro with a total of saleable gross floor area ("**GFA**") of 70,232 sq.m.. As at 31 December 2013, 39,696 sq.m. have been sold and the shopping mall of Golden Wheel New Metro with a total leaseable GFA of 18,437 sq.m. was retained by the Group for leasing purpose. The average selling price of Nanjing Jade Garden was approximately RMB18,200 per sq.m. with gross profit margin of 35%. The average selling price of Golden Wheel New Metro was approximately RMB13,900 per sq.m. with gross profit margin of 32%.

Projects in progress and scheduled for completion in 2014

Golden Wheel Star Plaza and Phase III of Golden Wheel Star City were scheduled to be completed in 2014. These two projects have a total saleable GFA of 83,173 sq.m.. The expected average selling prices for Golden Wheel Star Plaza and Phase III of Golden Wheel Star City are RMB12,000 per sq.m. and RMB9,500 per sq.m. respectively. As at 31 December 2013, 46% of these two projects were pre-sold.

New land acquired during 2013 and land bank of the Group

After successful listing in Hong Kong in January 2013, the Group was actively acquiring good quality of lands for future development. As at 31 December 2013, the Group has 6 pieces of lands yet to be developed. These lands are located in Nanjing city, Yangzhou city, Zhuzhou city and Changsha city. These reserves of lands can ensure the Group has enough sale revenue for at least the next 2 to 3 years.

The following table sets forth an overview of the Group's property projects as at 31 December 2013:

Project	City	Site area	Actual/ estimated construction commencement date	Actual/ estimated construction completion date	Percentage of completion	Total unsold GFA/ Total GFA	GFA held for Company's own use	Investment properties GFA
		sq.m.	*month/year*	*month/year*		*sq.m.*	*sq.m.*	*sq.m.*
Completed properties								
Golden Wheel International Plaza	Nanjing	11,341	Jul-04	Jan-09	100%	6,223	1,973	29,559
Golden Wheel Waltz	Nanjing	2,046	Jan-08	Feb-10	100%	–	–	2,444
Golden Wheel Building	Nanjing	4,918	May-01	Feb-03	100%	–	–	1,454
Golden Wheel Green Garden	Nanjing	10,334	Aug-01	Sep-02	100%	–	–	1,021
Golden Wheel Star City (Phase I)	Yangzhou	42,803	Aug-08	Mar-12	100%	6,203	–	–
Golden Wheel Star City (Phase II)	Yangzhou	27,423	Oct-09	Aug-12	100%	12,086	–	–
Golden Wheel Time Square	Zhuzhou	13,501	May-09	Apr-12	100%	5,892	–	43,871
Nanjing Jade Garden	Nanjing	7,212	Jan-11	Dec-13	100%	7,242	–	–
Golden Wheel New Metro	Nanjing	9,218	Aug-11	Dec-13	100%	4,856	–	18,437
Subtotal/Average		**128,796**				**42,502**	**1,973**	**96,786**
Properties under development								
Golden Wheel Star Plaza	Nanjing	29,540	Nov-11	Jun-14	90%	70,396	–	–
Golden Wheel Star City (Phase III)	Yangzhou	11,389	Jun-10	Mar-14	99%	33,084	–	–
Cambridge Huafu	Nanjing	46,228	Jun-14	Dec-15	Note	108,094	–	–
Golden Wheel Star-curb	Nanjing	18,300	Dec-14	Jun-16	Note	47,685	–	–
Golden Wheel Binary Star Plaza	Nanjing	9,588	Jun-14	Mar-16	Note	8,054	–	55,754
Golden Wheel Yangzhou Project	Yangzhou	61,275	Dec-14	Dec-16	Note	103,684	–	123,003
Zhuzhou Golden Wheel Jade Garden	Zhuzhou	45,645	Dec-14	Dec-16	Note	114,114	–	–
Changsha Golden Wheel Star Plaza	Changsha	37,152	Dec-14	Dec-17	Note	167,182	–	–
Subtotal/Average		**259,117**				**652,293**	**–**	**178,757**
Total		**387,913**				**694,795**	**1,913**	**275,543**

Note: As at 31 December 2013, these projects were still on their planning stage and no major construction work has been started.

As at 31 December 2013, the Group has land bank of 728,000 sq.m. yet to be developed. Among these lands, approximately 335,000 sq.m., 147,000 sq.m., 67,000 sq.m. and 179,000 sq.m. are for residential, commercial, office and investment properties purpose respectively.

Metro Leasing Business

Leveraging on the experience in Nanjing Metro shopping malls over the past 3 years, strong professional operation team and extensive client base, the Group has won more leasing and operational management contracts in 3 cities, namely Suzhou city, Wuxi city and Changsha city, during the year. Including the metro station in Nanjing, the Group has a total leaseable GFA of over 70,000 sq.m. as at 31 December 2013. It is expected that these metro leasing business will substantially increase the Group's recurring leasing rental income in a few years time.

Investments

In addition to placing surplus funds as time deposits in banks with strong credit ratings, the Group also invested in corporate high yield bonds with good credit rating. As at 31 December 2013, the Group has bonds investments amounted to RMB48 million. These bonds bear coupon rates ranging from 4.75% to 10.63%. This helps to preserve the Group's liquidity and enhance interest yields.

Future Outlook

At the National People's Congress held in March 2014, the PRC government pledged to spend efforts on reinforcing social reforms. With these efforts, the economy in China, being one of the largest economic entities in the world, will remain on the track of more stable growth, as reflected from an expected gross domestic product ("GDP") growth of 7.5% in 2014 on an annual basis. Under the backdrop of continued regulation by the PRC government, the real estate market in China is expected to develop in a more stable and healthy manner. Furthermore, there is a policy of allows a couple to have two children as long as both the wife and the husband are the only child in their respective families. This policy, coupled with increasing urbanization will add fresh stimulus to the continued steady growth of China's real estate market in the coming years.

According to market statistics, there are more than 30 cities in China have existing metro networks or are currently constructing metro networks. The Group envisage huge room for expanding for other metro leasing business. The Group will continue to actively participate in the tender of projects in the target cities in the future, in order to further expand the market share of the Group in metro station commercial property leasing and operational management business. The Group endeavor to become a leading operator in the industry. The Group will continue to enhance the operational efficiency of the commercial property projects at Nanjing metro station. The Group will endeavor to repeat this successful model to other cities effectively, so as to capitalize on the immense opportunities emerging from the development of urban rail transport network and the increased urbanization in China.

With a mature, stable and professional management team, a well-established business model, strong financial management and extensive experience in the investment and development of urban rail transit-linked integrated commercial and residential property projects, the Group will remain focused on growing into cities of promising potential growth in the future. The Group is committed to expand urban rail transit-linked integrated commercial and residential property projects, in order to stay in the top spot by becoming a leading developer focused on urban rail transit-linked integrated properties. The Group will endeavor to foster the long-term stable development of our business, and create the greatest return for shareholders.

FINANCIAL REVIEW

Results of Operations

Revenue

The Group's revenue consists of revenue derived from (i) sale of the Group's developed properties; and (ii) rental income from property leasing. The following table sets forth a breakdown of the Group's revenue and the percentage of total revenue for the years indicated:

	For the year ended 31 December			
	2013		2012	
	RMB'000	*%*	*RMB'000*	*%*
Property development	**761,851**	**87.4**	863,428	89.6
Property leasing	**109,424**	**12.6**	100,289	10.4
Total	**871,275**	**100.0**	963,717	100.0

Revenue decreased by 9.6% from RMB963.7 million in 2012 to RMB871.3 million in 2013, primarily due to a decrease in revenue derived from the property development business.

- *Property development*

  Revenue derived from property development decreased from RMB863.4 million in 2012 to RMB761.9 million in 2013. One of the projects completed and delivered during the year included a shopping mall of 18,437 sq.m. which the Group did not sell and hold for long term investment purpose. This shopping mall was valued at RMB407 million as at 31 December 2013. Due to that reason, the Group had less salesable GFA for the year.

- *Property leasing*

  Revenue derived from property leasing business increased from RMB100.3 million in 2012 to RMB109.4 million in 2013. This increase was primarily due to increased average rental rates per sq.m. of the Group's commercial properties.

Cost of sales

The following table sets forth a breakdown of the Group's cost of sales for the years indicated:

	For the year ended 31 December			
	2013		2012	
	RMB'000	***%***	*RMB'000* (Restated)	*%*
Property development				
Land acquisition costs	**138,971**	**24.4**	93,083	19.8
Construction costs	**260,927**	**45.8**	299,030	63.5
Capitalized finance costs	**40,959**	**7.2**	12,369	2.6
Tax expenses	**42,650**	**7.5**	47,508	10.1
Fair value adjustment on the Acquisition *Note1*	**66,078**	**11.6**	–	–
Subtotal	**549,585**	**96.5**	451,990	96.0
Property leasing and operational management	**19,605** ***Note2***	**3.5**	19,200 *Note2*	4.0
Total	**569,190**	**100.0**	471,190	100.0

Notes:

1. On 18 June 2012, the Group acquired the assets and assumed the liabilities of a property project, Golden Wheel New Metro, through the acquisition of 100% equity interest in Golden Wheel International Corporation Limited, which holds 100% equity interest in Nanjing Golden Wheel Real Estate Co., Ltd. from the then shareholders (the "Acquisition"). This transaction had been accounted for as purchase of assets and assumption of liabilities and all identifiable assets and liabilities were stated at their respective fair value at the date of acquisition, under this Acquisition, the properties for sale held by Golden Wheel New Metro were stated at fair value with an approximately RMB73 million fair value upward adjustment. During the year, part of these properties for sale was completed and sold, and accordingly the related fair value adjustment of RMB66 million was also included as its cost of sales and charged to profit or loss.

2. Amount included rental expense of RMB5.8 million for the Xinjiekou Metro Mall for the year ended 31 December 2013 and 2012, respectively.

The Group's cost of sales increased from RMB471.2 million in 2012 to RMB569.2 million in 2013. This increase was primarily due to the increase in land costs, construction costs and the fair value adjustment arising on the Acquisition.

For the years ended 31 December 2013 and 2012, the Group's percentage of average land acquisition costs over average selling price increased from 10.8% to 18.2% in 2013.

Gross profit and gross profit margin

Gross profit decreased from RMB492.5 million in 2012 to RMB302.1 million in 2013. Gross profit margin decreased from 51.1% in 2012 to 34.7% in 2013, primarily due to the decrease in the gross profit margin for property development business.

The gross profit margin for property development business decreased was mainly due to the increase of land costs and construction costs of the Nanjing projects, where the living cost is higher in Nanjing, and the fair value adjustment arising on the Acquisition.

Other income, expenses, gains and losses

The Group had a net gain of RMB19.3 million for other income, expenses, gains and losses in 2013, while the Group had a net loss of RMB0.6 million in 2012. The net gain was mainly due to the fair value gain of RMB24.4 million of cross currency rate swap contracts.

Finance costs

Finance costs consist primarily of interest expenses on borrowings net of capitalized finance costs. Finance costs substantially increased from RMB4.2 million in 2012 to RMB43.8 million in 2013 primarily due to the issue of bond of RMB600 million in April 2013 and the increase of bank borrowings. As at 31 December 2013, the Group has a total borrowings of RMB1,823.6 million, while in 2012 the Group's total borrowings was RMB501.9 million. The increase of borrowings was mainly to fund the acquisition of lands during the year.

Selling and marketing, and administrative expenses

Selling and marketing expenses primarily include advertising and promotional expenses, office expenses and others.

Administrative expenses primarily include staff salaries and benefits, depreciation and amortization, office expenses, traveling expenses, professional fees, utilities and property tax, land use tax and stamp duty.

Selling and marketing, and administrative expenses for the year ended 31 December 2013 amounted to approximately RMB103.18 million (2012: RMB69.98 million), representing an increase of about 47.4%.

This increase was primarily due to the expansion of business, an increase in staff salaries and benefits in connection with the continued growth of the Group's property development business.

Changes in fair value of investment properties

For the year ended 31 December 2013, the Group recorded a fair value gain on investment properties of RMB246.8 million, representing of an increase of 2.01 times as compared to 2012. The increase was mainly due to the completion of a new shopping mall with total GFA of 18,437 sq.m., and the acquisition of a piece of land at the early of 2013 which was intended for investment purpose.

Profit for the year

For the foregoing reasons, profit for the year increased from RMB284.8 million in 2012 to RMB316.1 million in 2013, representing an increase of 11.0%.

Liquidity and Capital Resources

Cash Position

The Group had bank deposits and cash of approximately RMB1,472.3 million as of 31 December 2013 (2012: RMB227.3 million).

Bank and other borrowings

The Group had outstanding bank and other borrowings (including the issue of bond of RMB600 million in April 2013) of approximately RMB1,823.6 million as at 31 December 2013 (2012: RMB501.9 million).

As at 31 December 2013, the Group's net gearing ratio was 10.0% (2012: 10.1%). The net gearing ratio of the Group is calculated by the interest-bearing liabilities net of bank deposits and cash and then divided by total equity attributable to the owner of the Company.

Cost of Borrowings

The Group's average cost of borrowings (calculated by dividing total interest expenses paid and payable by the average total bank and other borrowings during the relevant year) was 8.2% in 2013, versus 6.8% in 2012.

Financial guarantees

The face value of the financial guarantees issued by the Group is analysed as below:

	2013	2012
	RMB'000	*RMB'000*
Mortgage loan guarantees provided by the Group to banks in favour of its customers	**371,627**	241,111

In the opinion of the Directors, the fair value of the financial guarantee contracts at initial recognition is not significant as the default rate is low.

EMPLOYEES

As of 31 December 2013, the Group had a total of approximately 300 full-time employees. The Group enters into employment contracts with its employees to cover matters such as position, term of employment, wage, employee benefits and liabilities for breaches and grounds for termination. Remuneration of the Group's employees includes basic salaries, allowances, bonus and other employee benefits.

PROPOSED FINAL DIVIDEND

The Board recommends the payment of a final dividend of RMB3.55 cents per Share (the "**Proposed Final Dividend**") for the year 2013. Subject to the approval of the Proposed Final Dividend by the Shareholders at the annual general meeting (the "**AGM**") to be held on Friday, 16 May 2014. It is expected and, if approved, that the Proposed Final Dividend will be payable on or before 31 May 2014 to the Shareholders whose names are listed on the register of members of the Company on Friday, 23 May 2014.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained the public float as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") since the listing date and up to the date of this announcement (the "**Relevant Period**").

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities since the Relevant Period.

CORPORATE GOVERNANCE

The Board and management of the Company are committed to maintaining high standards of corporate governance. The Board firmly believes that conducting the Group's business in an transparent and responsible manner and following good corporate governance practices serve its long-term interests and those of shareholders. The Company has adopted the code provisions set out in the Code of Corporate Governance Practices (the "**Corporate Governance Code**") contained in Appendix 14 to the Listing Rules as its own code to govern its corporate governance practices.

In the opinion of the Directors, the Company during the financial year ended 31 December 2013, has adopted, applied and complied with most of the provisions contained in the Corporate Governance Code, the details of which will be set out in the Company's annual report for the financial year ended 31 December 2013. The Board will continue to review and monitor the practices of the Company with an aim to maintaining and improving a high standard of corporate governance practices.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding Directors' securities transactions. Upon specific enquiry, all Directors confirmed that they have complied with the Model Code during the year ended 31 December 2013.

AUDIT COMMITTEE

The Company has established an audit committee with specific terms of reference explaining its role and authorities delegated by the Board. The Audit Committee currently consists of three independent non-executive Directors, Ms. Howe Sau Man (Chairwoman), Mr. Hui Yan Moon and Mr. Lie Tak Sen, who together have sufficient accounting and financial management expertise, and business experience to carry out their duties.

The primary duties of the Audit Committee are to review the Group's financial control, internal control and risk management, review and monitor the integrity of financial statements and to review annual and interim quarterly financial statements and report before submission to the Board. The Audit Committee meets with the external auditors and the management of the Group to ensure that the audit findings are addressed properly. The Audit Committee had reviewed the Group's consolidated financial statements for the year ended 31 December 2013, including the accounting principles and practices adopted by the Group.

SCOPE OF WORK OF DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2013 as set out in this announcement have been agreed by the Group's auditors, Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year.

The work performed by Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Deloitte Touche Tohmatsu on this announcement.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 13 May 2014 to Friday, 16 May 2014 (both days inclusive), during which period no transfer of shares of the Company will be effected. In order to determine the identity of members who are entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Monday, 12 May 2014.

The register of members will be closed from Thursday, 22 May 2014 to Friday, 23 May 2014, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the Proposed Final Dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 21 May 2014.

ANNUAL GENERAL MEETING

It is proposed that the Annual General Meeting of the Company will be held on Friday, 16 May 2014. Notice of the Annual General Meeting will be published and issued to shareholders in due course.

PUBLICATION OF ANNUAL REPORT ON THE STOCK EXCHANGE WEBSITE

The annual report of the Company for the year ended 31 December 2013 containing all information required by the Listing Rules will be despatched to the Company's shareholders and published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.gwtd.com.hk.

By Order of the Board
Golden Wheel Tiandi Holdings Company Limited
Wong Yam Yin
Chairman

Hong Kong, 28 March 2014

This announcement is published on the designated issuer website of the Stock Exchange (www.hkexnews.com.hk) and the website of the Company (www.gwtd.com.hk). The Group's 2013 Annual Report containing all the information required by the Listing Rules will be despatched to shareholders and made available on the above websites in due course.

As at the date of this announcement, the Board comprises Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, Mr. Tjie Tjin Fung and Mr. Janata David as executive Directors; Mr. Suwita Janata and Mr. Gunawan Kiky as non-executive Directors; Mr. Hui Yan Moon, Mr. Wong Ying Loi, Ms. Howe Sau Man and Mr. Lie Tak Sen as independent non-executive Directors.