

新澤控股有限公司 New Heritage Holdings Ltd.

(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)

香港聯交所股份代號：95 HKSE Stock Code: 95

2014

INTERIM REPORT
中期報告



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Expressed in Hong Kong Dollars ("HK\$") 以港元(「港元」)計值

Corporate Information

公司資料

DIRECTORS

Executive Directors

Miss HUANG Jingshu (*Chairman*) (appointed as director on 15 May 2014 and as Chairman on 5 June 2014)
Mr. YIM Chun Leung (*Chief Executive Officer*) (appointed as Chief Executive Officer on 7 July 2014)
Mr. YE Xingan (appointed on 15 May 2014)
Mr. CHEN Tieshen (appointed on 15 May 2014)
Ms. DENG Chengying (appointed on 15 May 2014)
Mr. TAOCHAIFU Choofuang (also known as C.F. Tao) (*Chairman*) (resigned on 5 June 2014)
Mr. TAO Richard (*Vice Chairman*) (resigned on 5 June 2014)
Mr. TAO Paul (also known as TAOCHAIFU Porn) (*Managing Director*) (resigned on 5 June 2014)
Mr. KONG Mui Sum Lawrence (resigned on 5 June 2014)

Non-Executive Director

Mr. CHAN Bernard Charnwut (resigned on 5 June 2014)

Independent Non-Executive Directors

Mr. ZHU Jiu Sheng (appointed on 15 May 2014)
Mr. WANG Jing (appointed on 15 May 2014)
Ms. HU Gin Ing (appointed on 15 May 2014)
Mr. WONG Gary Ka Wai (resigned on 5 June 2014)
Mr. SUN Leland Li Hsun (resigned on 5 June 2014)
Mr. CHAN Norman Enrique (resigned on 5 June 2014)

EXECUTIVE COMMITTEE

Miss HUANG Jingshu (*Chairman*) (appointed on 5 June 2014)
Mr. YIM Chun Leung (*Chief Executive Officer*) (appointed as Chief Executive Officer on 7 July 2014)
Mr. YE Xingan (appointed on 5 June 2014)
Mr. CHEN Tieshen (appointed on 5 June 2014)
Ms. DENG Chengying (appointed on 5 June 2014)
Mr. TAOCHAIFU Choofuang (*Chairman*) (resigned on 5 June 2014)
Mr. TAO Richard (resigned on 5 June 2014)
Mr. TAO Paul (resigned on 5 June 2014)
Mr. KONG Mui Sum Lawrence (resigned on 5 June 2014)

AUDIT COMMITTEE

Mr. ZHU Jiu Sheng (*Chairman*) (appointed on 5 June 2014)
Mr. WANG Jing (appointed on 5 June 2014)
Ms. HU Gin Ing (appointed on 5 June 2014)
Mr. WONG Gary Ka Wai (*Chairman*) (resigned on 5 June 2014)
Mr. SUN Leland Li Hsun (resigned on 5 June 2014)
Mr. CHAN Norman Enrique (resigned on 5 June 2014)

NOMINATION COMMITTEE

Miss HUANG Jingshu (*Chairman*) (appointed on 5 June 2014)
Mr. ZHU Jiu Sheng (appointed on 5 June 2014)
Mr. WANG Jing (appointed on 5 June 2014)
Mr. CHAN Norman Enrique (*Chairman*) (resigned on 5 June 2014)
Mr. SUN Leland Li Hsun (resigned on 5 June 2014)
Mr. TAO Paul (resigned on 5 June 2014)

REMUNERATION COMMITTEE

Ms. HU Gin Ing (*Chairman*) (appointed on 5 June 2014)
Miss HUANG Jingshu (appointed on 5 June 2014)
Mr. ZHU Jiu Sheng (appointed on 5 June 2014)
Mr. SUN Leland Li Hsun (*Chairman*) (resigned on 5 June 2014)
Mr. CHAN Norman Enrique (resigned on 5 June 2014)
Mr. TAO Richard (resigned on 5 June 2014)

董事

執行董事

黃敬舒小姐(*主席*) (於二零一四年五月十五日獲委任為董事及於二零一四年六月五日獲委任為主席)
嚴振亮先生(*行政總裁*) (於二零一四年七月七日獲委任為行政總裁)
葉興安先生(於二零一四年五月十五日獲委任)
陳鐵身先生(於二零一四年五月十五日獲委任)
鄧承英女士(於二零一四年五月十五日獲委任)
陶哲甫先生(別名C.F. Tao)(*主席*) (於二零一四年六月五日辭任)
陶家祈先生(*副主席*) (於二零一四年六月五日辭任)
陶錫祺先生(別名TAOCHAIFU Porn)(*董事總經理*) (於二零一四年六月五日辭任)
江淼森先生(於二零一四年六月五日辭任)

非執行董事

陳智思先生(於二零一四年六月五日辭任)

獨立非執行董事

祝九勝先生(於二零一四年五月十五日獲委任)
王敬先生(於二零一四年五月十五日獲委任)
胡競英女士(於二零一四年五月十五日獲委任)
王家偉先生(於二零一四年六月五日辭任)
孫立勳先生(於二零一四年六月五日辭任)
陳樂文先生(於二零一四年六月五日辭任)

執行委員會

黃敬舒小姐(*主席*) (於二零一四年六月五日獲委任)
嚴振亮先生(*行政總裁*) (於二零一四年七月七日獲委任為行政總裁)
葉興安先生(於二零一四年六月五日獲委任)
陳鐵身先生(於二零一四年六月五日獲委任)
鄧承英女士(於二零一四年六月五日獲委任)
陶哲甫先生(*主席*) (於二零一四年六月五日辭任)
陶家祈先生(於二零一四年六月五日辭任)
陶錫祺先生(於二零一四年六月五日辭任)
江淼森先生(於二零一四年六月五日辭任)

審核委員會

祝九勝先生(*主席*) (於二零一四年六月五日獲委任)
王敬先生(於二零一四年六月五日獲委任)
胡競英女士(於二零一四年六月五日獲委任)
王家偉先生(*主席*) (於二零一四年六月五日辭任)
孫立勳先生(於二零一四年六月五日辭任)
陳樂文先生(於二零一四年六月五日辭任)

提名委員會

黃敬舒小姐(*主席*) (於二零一四年六月五日獲委任)
祝九勝先生(於二零一四年六月五日獲委任)
王敬先生(於二零一四年六月五日獲委任)
陳樂文先生(*主席*) (於二零一四年六月五日辭任)
孫立勳先生(於二零一四年六月五日辭任)
陶錫祺先生(於二零一四年六月五日辭任)

薪酬委員會

胡競英女士(*主席*) (於二零一四年六月五日獲委任)
黃敬舒小姐(於二零一四年六月五日獲委任)
祝九勝先生(於二零一四年六月五日獲委任)
孫立勳先生(*主席*) (於二零一四年六月五日辭任)
陳樂文先生(於二零一四年六月五日辭任)
陶家祈先生(於二零一四年六月五日辭任)

Corporate Information (Cont'd)

公司資料(續)

AUTHORISED REPRESENTATIVES

Mr. YIM Chun Leung
Mr. LAI Siu Hung

COMPANY SECRETARY

Mr. LAI Siu Hung

AUDITOR

BDO Limited

REGISTERED OFFICE

Clifton House, 75 Fort Street
P.O. Box 1350 GT, George Town
Grand Cayman
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 1701–1703, 17/F., Dah Sing Financial Centre,
108 Gloucester Road,
Wanchai, Hong Kong

PRC OFFICE

26/F Gold River Center
88 Shi Shan Road, New District, Suzhou
P.R. China 215011

LEGAL ADVISERS (in alphabetical order)

Appleby Hunter Bailhache
Grandall Legal Group (Shanghai)
Sidley Austin

PRINCIPAL BANKERS (in alphabetical order)

Bank of China Limited (Suzhou Branch)
China Construction Bank Corporation (Suzhou Branch)
Chong Hing Bank Limited
Hang Seng Bank Limited
Public Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Corporate Services (Cayman) Limited
Clifton House, 75 Fort Street
P.O. Box 1350 GT, George Town
Grand Cayman
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

HKSE STOCK CODE

95

WEBSITE

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授權代表

嚴振亮先生
賴兆鴻先生

公司秘書

賴兆鴻先生

核數師

香港立信德豪會計師事務所有限公司

註冊辦事處

Clifton House, 75 Fort Street
P.O. Box 1350 GT, George Town
Grand Cayman
Cayman Islands

總辦事處及香港主要營業地點

香港灣仔
告士打道108號
大新金融中心17樓1701–1703室

國內辦事處

中國蘇州市新區獅山路88號
金河國際中心26層
郵編：215011

法律顧問(按英文字母排列次序)

Appleby Hunter Bailhache
國浩律師集團(上海)事務所
盛德律師事務所

主要往來銀行(按英文字母排列次序)

中國銀行股份有限公司(蘇州分行)
中國建設銀行股份有限公司(蘇州分行)
創興銀行有限公司
恒生銀行有限公司
大眾銀行(香港)有限公司
香港上海滙豐銀行有限公司

主要股份過戶登記處

Appleby Corporate Services (Cayman) Limited
Clifton House, 75 Fort Street
P.O. Box 1350 GT, George Town
Grand Cayman
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

香港聯交所股份代號

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公司網址

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Chairman's Statement

主席報告

Results and Dividends

For the six months ended 30 June 2014, the revenue of New Heritage Holdings Ltd. (the "Company") and its subsidiaries (collectively, the "Group") and loss attributable to owners of the Company were approximately HK\$44.7 million (six months ended 30 June 2013: HK\$153.6 million) and approximately HK\$2.4 million (six months ended 30 June 2013: profit of HK\$7.5 million) respectively. Basic loss per share attributable to owners of the Company was approximately 0.2 HK cents (six months ended 30 June 2013: basic earnings per share of 0.6 HK cents).

The board of directors of the Company (the "Directors" or the "Board") does not recommend any payment of interim dividend for the period (six months ended 30 June 2013: Nil).

Business Review and Outlook

During the recent months, the Group has achieved major milestones in its development. Mr. WONG Hong King has completed the acquisition of controlling interests in the Company through his wholly-owned company, China LVGEM Property Holdings Limited ("China LVGEM"), on 8 May 2014 thereby becoming the controlling shareholder of the Group. Mr. WONG and his team bring to the Group many years of experience in development of commercial and residential complexes in many cities, including but not limited to Shenzhen, Zhuhai and Huazhou. These projects comprise office buildings, shopping malls, serviced apartments and hotels. With the general offer closed on 5 June 2014 and the new directors on board, the Group has officially started a new chapter in the development history. Our new Board of Directors include Mr. YE Xingan, Mr. CHEN Tieshen and Ms. DENG Chengying, all of who have abundant management expertise in the People's Republic of China's ("PRC") property market; while Mr. YIM Chun Leung remains as our Executive Director and has been appointed as our Chief Executive Officer, and the core management team retains its professional role. Going forward, through our concerted efforts, we have full confidence to maintain the steady development of our business, as we inject new ideas and momentum to the Group and chart it on a new course.

In the past few years, the Central Government has implemented purchase and financial control measures in order to achieve healthy and stable development of the property market in the long run. However, after the Home Purchase Restriction measures and restrictions on mortgages were launched, the property market was inevitably affected in the short term. Recently, there are signs that the restrictions may be relaxed to release the purchasing power in the market, which would be good news for the Group and may help to bolster our future development.

Looking ahead, we see that the growth potential is enormous. While actively developing our existing property development business, the Group will strive further to diversify our geographical markets and business segments by building on our current business foundation. With respect to the geographical markets, the Group will continue to expand and solidify the foothold in the Yangtze River Delta region. At the same time, we are seeking quality projects in the Pearl River Delta and Hong Kong markets targeting different property categories covering non-residential ones, such as commercial projects including office buildings and shopping malls. We will further evaluate a range of potential opportunities in a bid to explore vast room for development and create more promising prospects.

業績及股息

截至二零一四年六月三十日止六個月，新澤控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）的收益及本公司股東應佔虧損分別約為44,700,000港元（截至二零一三年六月三十日止六個月：153,600,000港元）及約為2,400,000港元（截至二零一三年六月三十日止六個月：盈利7,500,000港元）。本公司股東應佔每股基本虧損約為0.2港仙（截至二零一三年六月三十日止六個月：每股基本盈利為0.6港仙）。

本公司董事會（「董事」或「董事會」）不建議就該期間派付中期股息（截至二零一三年六月三十日止六個月：無）。

業務回顧及展望

過去數月標誌著本集團發展的一個重要里程碑。黃康境先生於二零一四年五月八日透過其全資擁有公司—中國綠景地產控股有限公司（「中國綠景」），完成收購本公司的控股權益，成為本集團的控股股東。黃先生與其自身公司團隊擁有從事發展商業及住宅綜合項目的多年經驗，覆蓋多個城市，包括但不限於深圳、珠海及化州。有關項目涵蓋辦公室大樓、購物商場、服務式公寓及酒店。而繼全面收購於二零一四年六月五日截止，加上新的董事會成員上任，正式為本集團的發展揭開全新的一頁。本集團新任的董事會成員包括葉興安先生、陳鐵身先生及鄧承英女士均在中華人民共和國（「中國」）房地產行業中經驗豐富，而嚴振亮先生亦留任為本集團的執行董事及獲委任為行政總裁，以及核心管理團隊繼續留任其專業崗位，攜手向前，我們充滿信心在能保持業務穩步發展之餘，更名為本集團注入更多新思維及新動力，並拓展新方向。

過去數年，中央政府實行購買及財務調控，旨在確保房地產市場在長遠而言達到健康穩定的發展。然而，在推出「限購令」、「限貸令」等措施下，房地產行業難免在短期內受到一定打擊。近期，有跡象顯示限制措施或有放寬的機會，有助釋放市場上的購買力，這對本集團而言是正面的訊息，有利加快本集團日後的發展步伐。

放眼未來，我們看到的是無限的發展潛力。本集團會積極發展原有的房地產發展業務，並會在現有的基礎上，不論在地域或業務類型的層面，努力尋求突破，邁向更多元化的領域。在地域方面，本集團繼續扎根內地長三角，同時計劃在珠三角及香港市場物色優質的項目，而項目挑選也會包括非住宅類型，例如辦公室大樓及商場等商業項目。我們會將進一步評估潛在的機遇，務求能開拓更廣闊的增長空間，開創更亮麗的前景。

Chairman's Statement (Cont'd)

主席報告(續)

On the other hand, Suzhou has been the major base for our business development. Building on our strong reputation acquired over a period of years, we will continue to reinforce our leading position in Suzhou. During the period under review, our revenue was mainly derived from Taihu Garden Court. Rentals from our retail investment properties have remained stable. As the property industry control measures are expected to be gradually relaxed to a certain extent and the Group's pre-sales performance has continued to perform well in the regions which were not affected by the Home Purchase Restriction measures, we remain prudently optimistic about the prospects of the Suzhou market. We will continue to develop our existing quality property projects and at the same time actively seek other projects with high growth potentials, so as to widen the Group's geographic reach in the PRC property market.

Subsequent to the special resolution passed at the extraordinary general meeting of the Company held on 15 August 2014, the English name of the Company will be changed from "New Heritage Holdings Ltd." to "LVGEM (China) Real Estate Investment Company Limited" and "綠景(中國)地產投資有限公司" will be adopted as the dual foreign name of the Company, which more accurately reflects the new corporate image of the Group. The long-term development potential of the PRC property market is huge. While the market will remain challenging for property developers, this will present more opportunities to those well-established enterprises with a clear vision and direction. As the new management team has fully participated in formulating a clear development roadmap of the Group, we expect the business direction to bring new dynamic development and we are confident in our long-term prosperous development in the PRC property market.

In closing, I would like to express my gratitude to my fellow members of the Board and all of our staff for their dedication and contributions to the Company. My fondest wish is for the combined efforts of all of us together to drive the Group forward to achieve rapid growth. I would also like to thank our partners and shareholders for their encouragement and support.

HUANG Jingshu
Chairman

Hong Kong, 28 August 2014

另一方面，蘇州乃本集團的業務重鎮，憑著多年來建立的良好聲譽，我們會繼續鞏固在蘇州的領導地位。於回顧期內，我們的收益主要來自錦澤苑，而零售投資物業租金亦維持穩定。隨著房地產行業調控措施預期有限度逐步放寬，再加上本集團不受限購令影響的地區的預售表現依然理想，因此我們對蘇州市場的前景保持審慎樂觀，會繼續發展現有的優質房地產項目，同時會積極物色其他具備潛力的項目，藉此擴大本集團在國內房地產市場的版圖。

隨著本公司於二零一四年八月十五日舉行的股東特別大會上通過之特別決議案，將本公司英文名稱由「New Heritage Holdings Ltd.」更改為「LVGEM (China) Real Estate Investment Company Limited」及採納中文名稱「綠景(中國)地產投資有限公司」作為本公司雙重外文名稱，充份彰顯本集團全新的企業形象。中國房地產市場的長遠發展潛力龐大，然而地產商亦面對各種挑戰，這對實力雄厚及具前瞻性的發展商而言帶來更大機遇。新任管理團隊已全面投入，我們也開始制定清晰的發展藍圖，期望新的業務方針能為本集團帶來一番新氣象，而我們對本集團在中國房地產市場的長遠蓬勃發展充滿信心。

最後，本人謹此向董事會同寅及員工致謝，感謝他們對本公司作出的努力及貢獻，同時希望大家上下一心，推動本集團快速增長；此外也衷心為合作夥伴及股東的鼓勵與支持致謝。

主席
黃敬舒

香港，二零一四年八月二十八日

Management Discussion and Analysis

管理層討論及分析

REVIEW OF OPERATIONS

During the period under review, the Group continued its focus on property development and investment businesses in Suzhou and actively sought suitable development projects in the Yangtze River Delta Region.

PROPERTY DEVELOPMENT

In the first half of 2014, the real estate market in Suzhou was subject to the constraints from the Government's austerity policies. Under tightening bank mortgage and rising mortgage rate, the touting policy of preferential housing by certain developers has driven the sales. However, more consumers would adopt a wait-and-see approach to wait for a more favorable benefit. In July this year, there were rumours that the Home Purchase Restriction policy in Suzhou would be eased. That, if becomes real and official, is favorable to the Group's sales of villas in Taihu Garden Court, but the actual effect of the policy will be subject to the combined effect of and implementation timing of the loosening mortgage policy and falling mortgage loan interest rate.

The Group's projects in Suzhou were in progress on schedule in the period under review.

1. Taihu Garden Court, Guangfu Town, Wuzhong, Suzhou

Taihu Garden Court's outstanding architectural design and beautiful classical landscaping still outperformed the townhouse projects nearby. Thus, sales result outperformed peripheral villa projects. The Group will seize the opportunities arising from loosening Home Purchase Restriction and maximise the revenue at a suitable price.

During the period under review, 1 townhouse of Phase 1 with a gross floor area of around 300 sq.m. was sold with a sales revenue of approximately HK\$3.1 million. As at 30 June 2014, the remaining 4 townhouses of Phase 1 with gross floor area of about 1,100 sq.m. were pending for sale; 4 townhouses of Phase 2 with a gross floor area of around 800 sq.m. were sold with a sales revenue of approximately HK\$10.7 million. As at 30 June 2014, Phase 2 had 20 townhouses in stock with a gross floor area of about 4,700 sq.m..

Phase 3, which consists of 84 townhouses with a total gross floor area of around 20,000 sq.m., was completed for delivery in September 2013. During the period under review, about 900 sq.m. was sold with a sales revenue of approximately HK\$12.5 million.

業務回顧

於回顧期內，集團除繼續致力蘇州物業發展和投資業務外，正積極在「長三角」地區物色合適的發展項目。

物業發展

二零一四年上半年蘇州房地產市場仍受政府調控政策制約，在銀行房貸收緊、樓宇按揭利率上調情況下，不少開發商推出特價房招徠，頗收促銷之效，但更多消費者處於觀望狀態，以待更大的優惠。市場盛傳今年七月份蘇州市限購政策將會有所放緩。倘為屬實，將有利於集團錦澤苑項目的別墅銷售，但實際效果將視乎寬鬆房貸政策和下調按揭貸款利率的配合程度和實施時機。

於回顧期內，集團蘇州各項目按計劃進行。

1. 錦澤苑，蘇州吳中區光福鎮

錦澤苑的卓越建築設計和優美典雅景觀仍優於附近的排屋項目，故此，銷售成績領先周邊別墅項目。集團將把握好放寬限購政策及機遇，以合適的價格，爭取最大的收益。

第一期1間總樓面面積約300平方米的排屋經已於回顧期內售出，銷售收益約3,100,000港元。於二零一四年六月三十日，第一期餘下4間排屋待售，總樓面面積約1,100平方米；第二期售出4間排屋，總樓面面積約800平方米，銷售收益約10,700,000港元。於二零一四年六月三十日，第二期尚餘存貨20間排屋，總樓面面積約4,700平方米。

第三期建有84間排屋，總樓面面積約20,000平方米，於二零一三年九月竣工交付。回顧期內共銷售約900平方米，銷售收益約12,500,000港元。

Management Discussion and Analysis (Cont'd)

管理層討論及分析(續)

2. Lakeside Garden Court, Shengze Town, Wujiang, Suzhou

Lakeside Garden Court is targeted at first-time home buyers. The project is highly appreciated by local buyers due to the Group's practice of customer-oriented philosophy, its appealing architectural design, modernity and practicability of living features in social housing project where quality management is enhanced and local culture and characteristics are incorporated. The remarkably high occupancy rate of the first three phases and the successful pre-sales result of Phase 4 were due not only to the absence of Home Purchase Restriction policy in Wujiang but also the accurate positioning and appropriate sales strategy of the project.

As at 30 June 2014, there were still 4 units in Phase 1 remaining for sale, with a total gross floor area of about 400 sq.m.. All units in Phase 2 were sold last year.

Phase 3 comprises 86 low-density townhouses with a gross floor area of around 19,600 sq.m.. During the period under review, 2 low-density townhouses with a gross floor area of around 500 sq.m. were sold, creating a revenue of approximately HK\$5.5 million. As at 30 June 2014, there were 17 townhouses of about 3,800 sq.m. remaining for sale. The Group plans to sell those townhouses at an appropriate premium.

Phase 4 consists of 6 blocks of residential buildings with a total gross floor area of about 58,200 sq.m., comprising mainly small apartment units (under 90 sq.m.), and is expected to deliver in late 2014. As at 30 June 2014, the Group sold about 44,800 sq.m. with a contracted sales revenue of approximately HK\$401.1 million.

3. Wuzhong Office Building, Wuzhong, Suzhou

The project is strategically located in the Yuexi Sub-town centre in Wuzhong, with an accessible transportation network. The Yuexi Sub-town centre is home for commercial, financial, cultural, entertainment, administrative office and residential building. Currently, the presence of Tai Lake Fishery Command Centre of Jiangsu Province (江蘇省太湖漁政指揮中心), Suzhou Customs (蘇州海關), Management Committee of Wuzhong Economic and Technological Development Zone (吳中經濟技術開發區管委會), Wuzhong City Investment Company (吳中區城投公司), Wuzhong Human Resource Market (吳中區人才市場), Wuzhong Administrative Service Centre (吳中區行政服務中心) and a number of government authorities has constituted a more comprehensive administrative office centre. Xijiang station in the Rail Line 4 is close to the project and is expected to operate in 2017.

The site area of the building is approximately 14,600 sq.m. and the gross floor area is around 58,400 sq.m.. The Group will actively optimise the design and function of the project, and strive to turn the project into the landmark building of the Yuexi Sub-town centre in Wuzhong.

2. 錦盛苑，蘇州吳江盛澤鎮

錦盛苑的主要目標顧客是首次置業戶。集團貫徹以客為尊的理念，將剛需房賦予美觀的建築設計、時尚實用的生活特色，加強質量管理，並融入當地文化和特性，所以該項目深受當地買家歡迎。首三期的入住率高企，第四期預售銷情理想，除得益於吳江區的無限購政策外，亦印證了該項目的定位準確和銷售策略得宜。

截至二零一四年六月三十日，第一期仍有4個單位合共總樓面面積約400平方米待售。第二期所有單位已於去年售罄。

第三期為低密度排屋設計，共建有86間，總樓面面積約19,600平方米。回顧期內售出總樓面面積約500平方米的2間低密度排屋，帶來約5,500,000港元的收益。於二零一四年六月三十日，剩餘17間共約3,800平方米待售。集團計劃按適當溢價出售。

第四期是六幢住宅大樓，總樓面面積約為58,200平方米，主要為90平方米以下的小型公寓單位，計劃於二零一四年年底交付。於二零一四年六月三十日，集團已預售約44,800平方米，合約銷售收益約為401,100,000港元。

3. 吳中辦公室大樓，蘇州吳中

該項目位於吳中區越溪城市副中心，地理位置優越，交通便捷。越溪城市副中心集商業、金融、文化、娛樂、行政辦公和居住等功能為一體，目前，已有江蘇省太湖漁政指揮中心、蘇州海關、吳中經濟技術開發區管委會、吳中區城投公司、吳中區人才市場，吳中區行政服務中心及多個政府機構入駐，形成較完善的行政辦公中心。軌道交通4號線支線溪江路站緊鄰該項目，預計在二零一七年通車。

大樓地盤面積約14,600平方米，總樓面面積約58,400平方米。集團將積極優化該項目的設計和使用功能，並全力推進開發成為吳中區越溪城市副中心地標性建築。

Management Discussion and Analysis (Cont'd)

管理層討論及分析(續)

PROPERTY INVESTMENT

The Group's investment properties are located in the prime business district of Suzhou New District, and are benefited from the ongoing implementation of development strategy by the Government in Suzhou New District. However, with sluggish retail market and the commencement and completion of peripheral urban complex that effected diversion of customer flow, the Group's short-term strategy mainly focuses on securing stable tenants.

1. **SGV Plaza, Suzhou New District**

SGV Plaza is located at Shi Shan Road, the most prosperous area in New District, with a gross floor area of about 11,000 sq.m.. Rental income during the period under review amounted to approximately HK\$3.9 million whereas the occupancy rate as at 30 June 2014 was about 93%. In addition to the ongoing optimisation of tenant mix, the Group will conduct research in asset enhancement plans to increase rental revenue.

2. **Garden Court Plaza, Suzhou New District**

Garden Court Plaza is located in Bin He Road, New District, about 200 meters away from Bin He Road station of Rail Line 1. The mall was 3-storey with a total gross floor area of about 4,500 sq.m.. During the period under review, rental income amounted to about HK\$1.9 million. As at 30 June 2014, the mall was fully leased out.

3. **SGV Apartments, Suzhou New District**

SGV Apartments has a beautiful surrounding and an accessible transportation network. With primary and secondary schools nearby, it enjoys sound reputation from local middle-class families. As such, the district has gradually transformed from a rental housing for foreign senior management into a residential housing for locals who have high income. The Group holds residential investment properties of about 5,500 sq.m. (34 units). During the period under review, rental income was approximately HK\$1.2 million.

4. **Investment in Beijing Landmark Towers Co., Ltd. ("Beijing Landmark")**

During the period under review, the operating results of Beijing Landmark were still being affected by the increasing competition among nearby hotels and service apartments. With regard to food and beverage business, revenue has still not reached the level before the policy of curbing "public spending" on entertainment.

On 8 May 2014, the Group sold the indirect interests in Beijing Landmark, details of which are set out in the paragraph headed "MAJOR CORPORATE EVENTS" below.

PROPERTY MANAGEMENT

The Group continued its outsourcing policy. In the process of identifying and appointing local property companies, the Group exercised careful due diligence to ensure these property companies are fully licensed and qualified. The Group coordinated with government authorities for the establishment of owner's association in accordance with local rules and regulations.

物業投資

集團的投資物業位處蘇州市新區最主要商業中心區，並繼續受惠於新區政府持續執行的發展戰略。但受零售市道疲軟及周邊城市綜合體相繼動工及落成分流客源的影響，集團短期策略以穩定租戶為主。

1. **錦華商業中心，蘇州市新區**

錦華商業中心位於新區最繁華的獅山路，總樓面面積約11,000平方米。回顧期內租金收入約3,900,000港元，於二零一四年六月三十日，出租率約為93%。集團除繼續優化租戶組合外，將研究資產提升計劃，增加租金收益。

2. **錦麗商業中心，蘇州市新區**

錦麗商業中心位於新區濱河路，距離軌道交通1號綫濱河路站約200米。該商場為3層高，總樓面面積約4,500平方米。回顧期內的租金收入約1,900,000港元，於二零一四年六月三十日已悉數租出。

3. **蘇州錦華苑公寓，蘇州市新區**

錦華苑小區環境優雅，交通便利，為小學、中學學區房，頗受當地中產以上家庭的喜愛。因此，該小區也漸漸由外籍高管租住演化為當地高階人士自住。集團持有約5,500平方米(34個單位)的住宅投資物業，回顧期內租金收入約1,200,000港元。

4. **於北京亮馬河大廈有限公司(「北京亮馬河」)的投資**

北京亮馬河的營運業績於回顧期內仍受鄰近酒店及服務式公寓的競爭加劇所影響，餐飲業務方面收益亦仍未回到抑制「公款宴請」的政策前的水平。

於二零一四年五月八日，本集團把北京亮馬河之間接權益出售，詳情載於下文「重要企業事項」內披露。

物業管理

集團期內繼續其外判政策。在蘇州甄選及委任當地物業公司時，進行審慎的盡職審查，以確保該些物業公司執照齊備、符合資格。集團按當地法規，與政府部門協作籌備成立業主立案組織。

Management Discussion and Analysis (Cont'd)

管理層討論及分析(續)

STRATEGIC PARTNERSHIPS

Spinnaker Capital Group

Spinnaker Capital Group remains a strategic non-controlling shareholder in one of the Group's subsidiaries – Suzhou New Heritage GF Limited which is the development entity of Taihu Garden Court. With regard to Suzhou New Heritage Wuzhong Limited, the Group's development subsidiary of Wuzhong Garden Court, in which Spinnaker Capital Group beneficially owned a 40% equity interest, its voluntary liquidation was completed in the first quarter of 2013.

Asia Financial Group

The 9.615% interests (together with relevant shareholder's loans) in New Heritage Development Limited ("NH Development"), a subsidiary of the Company, held by Asia Financial Group ("AFG") were acquired by the Group on 8 May 2014. NH Development is the holding company of most of the Group's property project companies in Suzhou. As at 30 June 2014, AFG, together with its wholly-owned subsidiary, was the holder of the Company's convertible notes in the principal amount of HK\$40 million, details of which are set out in the paragraph headed "MAJOR CORPORATE EVENTS" below.

MAJOR CORPORATE EVENTS

On 21 January 2014, China LVGEM as purchaser and Belbroughton Limited, Mr. TAOCHAIFU Choofuang, Mr. TAO Richard, Mr. TAO Paul and Tian Xiang Business Limited (together, the "Vendors") had entered into a conditional sale and purchase agreement for the disposal of an aggregate of 858,800,792 shares in the Company ("Shares") of HK\$0.01 each (the "Disposal Shares") in the share capital of the Company by the Vendors to China LVGEM (the "Share Disposal"). The Disposal Shares represented approximately 64.83% of the then issued share capital of the Company. The Share Disposal was completed on 8 May 2014 and China LVGEM became the controlling shareholder of the Company. The Share Disposal triggered an obligation on the part of China LVGEM to make mandatory unconditional general offers for the then issued Shares and other outstanding securities of the Company under Rule 26 of The Hong Kong Code on Takeovers and Mergers (other than those already owned by or acquired by China LVGEM and parties acting in concert with it) (the "Offers"). The Offers were closed on 5 June 2014.

On 28 February 2014, the Group had entered into the following conditional sale and purchase agreements:

1. The Group as purchaser entered into a conditional sale and purchase agreement (the "NHDL Acquisition Agreement") with Onsite Investment Limited as vendor in respect of the sale and purchase of 15 shares in the capital of NH Development and the shareholder's loan due and owing by NH Development to Onsite Investment Limited as at the date of the NHDL Acquisition Agreement at a consideration of HK\$72,919,000 in aggregate (apportioned as to HK\$46,459,000 for the sale shares and as to HK\$26,460,000 for the shareholder's loan).

策略夥伴

Spinnaker Capital Group

Spinnaker Capital Group一直為本集團屬下一家附屬公司的策略性非控股股東，即蘇州新綉地產有限公司，該公司為錦澤苑的項目發展公司。Spinnaker Capital Group亦曾實益擁有本集團發展錦悅苑的附屬公司—蘇州新澤地產有限公司40%股本權益，其自動清盤已於二零一三年第一季度完成。

亞洲金融集團

亞洲金融集團(「亞洲金融集團」)持有之本公司附屬公司新繼發展有限公司(「新繼發展」)的9.615%權益(連同相關股東貸款)已於二零一四年五月八日由本集團全數收購。新繼發展為本集團蘇州大部分物業項目公司的控股公司。於二零一四年六月三十日，亞洲金融集團與其全資擁有附屬公司為本公司本金額40,000,000港元的可換股票據的持有人，詳情載於下文「重要企業事項」內披露。

重要企業事項

於二零一四年一月二十一日，作為買方之中國綠景與Belbroughton Limited、陶哲甫先生、陶家祈先生、陶錫祺先生及天祥事務有限公司(統稱「賣方」)就賣方向中國綠景出售(「股份出售」)本公司股本中合共858,800,792股(「出售股份」)每股面值0.01港元之本公司股份(「股份」)訂立有條件買賣協議。出售股份相當於本公司當時已發行股本約64.83%。股份出售於二零一四年五月八日完成，而中國綠景成為本公司控股股東。股份出售觸發中國綠景根據香港公司收購及合併守則規則26就所有當時已發行股份及本公司其他未行使證券(中國綠景及與其一致行動之人士已擁有或同意收購者除外)提出強制性無條件全面收購要約(「收購要約」)之責任。該收購要約於二零一四年六月五日截止。

於二零一四年二月二十八日，本集團已訂立下列有條件買賣協議：

1. 本集團(作為買方)與Onsite Investment Limited(作為賣方)就買賣新繼發展股本中15股股份及於新繼發展收購協議日期新繼發展結欠Onsite Investment Limited股東貸款，訂立有條件買賣協議(「新繼發展收購協議」)，代價合共72,919,000港元(攤分銷售股份代價為46,459,000港元及股東貸款代價為26,460,000港元)。

Management Discussion and Analysis (Cont'd)

管理層討論及分析(續)

2. The Group as vendor entered into a conditional sale and purchase agreement (the “Accordcity Disposal Agreement”) with Highmind Limited as purchaser in respect of the sale and purchase of the entire issued share capital of Accordcity Limited (which indirectly holds 30.05% interest in Beijing Landmark) and the shareholder’s loan due and owing by Accordcity Limited to the Group at completion of the Accordcity Disposal Agreement, which was estimated to be HK\$76,100,000, at a consideration of HK\$170,252,000 in aggregate (apportioned as to HK\$94,152,000 for the sale shares and as to HK\$76,100,000 for the shareholder’s loan), subject to a dollar-to-dollar adjustment to the consideration for the shareholder’s loan such that the consideration for the shareholder’s loan shall be equal to the face value of the actual shareholder’s loan at the completion date.
2. 本集團(作為賣方)與Highmind Limited(作為買方)就買賣Accordcity Limited(間接持有北京亮馬河30.05%的股權)全部已發行股本及於Accordcity出售協議完成後Accordcity Limited結欠本集團股東貸款(估計為76,100,000港元),訂立有條件買賣協議(「Accordcity出售協議」),代價合共170,252,000港元(攤分銷售股份代價為94,152,000港元及股東貸款代價為76,100,000港元),惟股東貸款代價須進行等額調整,股東貸款代價須相等於在完成日期實際股東貸款之賬面值。
3. The Group as vendor entered into a conditional sale and purchase agreement (the “NHML Disposal Agreement”) with Gavett Limited as purchaser in respect of the sale and purchase of the entire issued share capital of New Heritage Management Limited and the shareholder’s loan due and owing by New Heritage Management Limited to the Group at completion of the NHML Disposal Agreement, which was estimated to be HK\$9,000,000, at a consideration of HK\$23,210,000 in aggregate (apportioned as to HK\$14,210,000 for the sale shares and as to HK\$9,000,000 for the shareholder’s loan), subject to a dollar-to-dollar adjustment to the consideration for the shareholder’s loan such that the consideration for the shareholder’s loan shall be equal to the face value of the actual shareholder’s loan at the completion date.
3. 本集團(作為賣方)與Gavett Limited(作為買方)就買賣新澤管理有限公司全部已發行股本及於新澤管理出售協議完成後新澤管理有限公司結欠本集團股東貸款(估計為9,000,000港元),訂立有條件買賣協議(「新澤管理出售協議」),代價合共23,210,000港元(攤分銷售股份代價為14,210,000港元及股東貸款代價為9,000,000港元),惟股東貸款代價須進行等額調整,股東貸款代價須相等於在完成日期實際股東貸款之賬面值。

Each of the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement was completed on 8 May 2014.

新繼發展收購協議、Accordcity出售協議及新澤管理出售協議各自均於二零一四年五月八日完成。

Upon the close of the Offers, there were 249,316,063 shares of the Company, representing approximately 18.50% of the then total issued share capital of the Company, held by the public. Accordingly, the Company could not fulfil the minimum public float requirement under Rule 8.08(1)(a) of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). An application has been made to the Stock Exchange for a waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for the period from 5 June 2014 up to and including 5 September 2014. On 30 June 2014, the Stock Exchange granted the waiver to the Company for a period of three months up to 5 September 2014.

於收購要約截止後,公眾人士持有249,316,063股本公司股份,佔本公司當時已發行股本總額約18.50%。因此,本公司未能符合香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第8.08(1)(a)條之最低公眾持股量的規定。因此,本公司已向聯交所申請豁免於二零一四年六月五日至二零一四年九月五日(包括該日)期間嚴格遵守上市規則第8.08(1)(a)條。於二零一四年六月三十日,聯交所已向本公司授出豁免,為期三個月至二零一四年九月五日止。

China LVGEM had disposed of an aggregate of 47,716,000 shares on the open market in July and August 2014.

中國綠景已於二零一四年七月及八月在公開市場出售合共47,716,000股股份。

On 1 August 2014, China LVGEM entered into the placing agreement with the placing agent in relation to the placing of 50,000,000 shares on a best efforts basis. Pursuant to the placing agreement, the placing agent executed the sale of 40,000,000 shares on 5 August 2014.

於二零一四年八月一日,中國綠景與配售代理按盡力基準配售50,000,000股股份訂立配售協議。於二零一四年八月五日,配售代理已根據配售協議執行銷售,出售40,000,000股股份。

Management Discussion and Analysis (Cont'd)

管理層討論及分析(續)

On 7 August 2014, the Company received notices from Asia Financial Holdings Limited (“AFHL”) and Asia Insurance Company, Limited (“AICL”) (collectively the “CN Subscribers”), requesting for the conversion of the 2011 Convertible Notes in the principal amount of HK\$25,000,000 and HK\$15,000,000, respectively. Accordingly, the Company has allotted and issued a total of 36,363,635 conversion shares to the CN Subscribers at the conversion price of HK\$1.10 per conversion share on 7 August 2014. Upon the conversion, no 2011 Convertible Notes remained outstanding. On the same date, the Company has restored the public float to fulfill the minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules.

The shareholders of the Company have passed a special resolution at the extraordinary general meeting (“EGM”) of the Company held on 15 August 2014 to change the English name of the Company from “New Heritage Holdings Ltd.” to “LVGEM (China) Real Estate Investment Company Limited” and to adopt “綠景(中國)地產投資有限公司” as the dual foreign name of the Company. The Company is carrying out necessary filing procedures with the Registrar of Companies in Cayman Islands and Companies Registry in Hong Kong.

FINANCIAL REVIEW

Revenue

The Group’s revenue mainly comprised of revenue from sales of properties held for sale and leasing of investment properties. The Group’s revenue for the six months ended 30 June 2014 was approximately HK\$44.7 million (six months ended 30 June 2013: HK\$153.6 million), representing a decrease of approximately 71% as compared with the same period last year. The decrease in the Group’s revenue was mainly due to the decrease in revenue from sales of properties held for sale.

The revenue from sales of properties held for sale included the disposal of a residential apartment in Suzhou Garden Towers, 9 low-density townhouses in Taihu Garden Court Phases 1, 2 and 3, as well as 2 low-density townhouses in Lakeside Garden Court Phase 3 of approximately HK\$5.9 million, HK\$26.3 million and HK\$5.5 million respectively. The Group’s total gross floor area of properties held for sale sold for the six months ended 30 June 2014 was approximately 2,900 sq.m. (six months ended 30 June 2013: 11,900 sq.m.).

Revenue from leasing of investment properties for the six months ended 30 June 2014 was approximately HK\$7.0 million (six months ended 30 June 2013: HK\$6.3 million). The revenue generated from leasing of investment properties in Suzhou Garden Villa and two retail centres were approximately HK\$1.2 million (six months ended 30 June 2013: HK\$1.3 million) and approximately HK\$5.8 million (six months ended 30 June 2013: HK\$5.0 million) respectively.

於二零一四年八月七日，本公司接獲亞洲金融集團(控股)有限公司(「亞洲金融」)及亞洲保險有限公司(「亞洲保險」)(統稱「票據持有人」)通知，要求兌換本金額分別為25,000,000港元及15,000,000港元之二零一一年可換股票據。因此，本公司已於二零一四年八月七日按每股兌換股份1.10港元之兌換價，向可換股票據認購者配發及發行合共36,363,635股兌換股份。於兌換後，概無二零一一年可換股票據尚未行使。同日，本公司已恢復公眾持股量以符合上市規則第8.08(1)(a)條之最低公眾持股量的規定。

本公司股東已通過於二零一四年八月十五日舉行的本公司股東特別大會(「股東特別大會」)之特別決議案，將本公司英文名稱由「New Heritage Holdings Ltd.」更改為「LVGEM (China) Real Estate Investment Company Limited」及採納中文名稱「綠景(中國)地產投資有限公司」作為本公司雙重外文名稱。本公司正向開曼群島公司註冊處及香港公司註冊處辦理必要存檔手續。

財務回顧

收益

本集團的收益主要包括來自出售待售物業及租賃投資物業的收益。截至二零一四年六月三十日止六個月，本集團的收益約44,700,000港元(截至二零一三年六月三十日止六個月：153,600,000港元)，較去年同期減少約71%。本集團收益減少主要由於來自出售待售物業的收益減少所致。

來自出售待售物業的收益包括銷售1間錦昌苑住宅單位、錦澤苑第一、二及三期9間低密度排屋，以及錦盛苑第三期2間低密度排屋，分別錄得約5,900,000港元、26,300,000港元及5,500,000港元之收益。截至二零一四年六月三十日止六個月，本集團已出售的待售物業總樓面面積約2,900平方米(截至二零一三年六月三十日止六個月：11,900平方米)。

截至二零一四年六月三十日止六個月，來自租賃投資物業的收益約7,000,000港元(截至二零一三年六月三十日止六個月：6,300,000港元)。位於錦華苑及兩座零售中心的租賃投資物業所產生的收益分別約1,200,000港元(截至二零一三年六月三十日止六個月：1,300,000港元)及約5,800,000港元(截至二零一三年六月三十日止六個月：5,000,000港元)。

Management Discussion and Analysis (Cont'd)

管理層討論及分析(續)

Operating Results

For the six months ended 30 June 2014, the Group's gross profit amounted to approximately HK\$16.4 million (six months ended 30 June 2013: HK\$29.0 million). The gross profit margin for the six months ended 30 June 2014 was approximately 37% as compared to approximately 19% for the same period last year.

Administrative expenses increased significantly from approximately HK\$17.0 million for the six months ended 30 June 2013 to approximately HK\$60.5 million for the period under review. It was primarily attributable to the amounts payable to directors, employees in Hong Kong and Suzhou, PRC and professional expenses incurred of approximately HK\$39.0 million in total as a result of mandatory general offers made by China LVGEM for all the securities of the Company, the closing of which took place in June 2014.

The valuation on the Group's investment properties as at 30 June 2014 was conducted by an independent property valuer which resulted in a negative fair value adjustments of approximately HK\$3.7 million for the period ended 30 June 2014 (six months ended 30 June 2013: did not result in any fair value adjustments).

During the period under review, none of the investment property was sold (six months ended 30 June 2013: consideration of HK\$2.1 million).

During the period under review, gain on disposal of subsidiaries of approximately HK\$39.2 million which was resulted from disposal of Accordcity Limited and its subsidiary and New Heritage Management Limited and its subsidiaries of approximately HK\$27.4 million and HK\$11.8 million respectively.

For the six months ended 30 June 2014, share of results of associates mainly represented the profit contributed by Beijing Landmark, an associate of Accordcity Limited for the period up to the date of disposal of Accordcity Limited of approximately HK\$7.0 million (six months ended 30 June 2013: HK\$11.5 million).

For the six months ended 30 June 2014, the loss attributable to owners of the Company was approximately HK\$2.4 million (six months ended 30 June 2013: profit of HK\$7.5 million) which represented a basic loss per share of 0.2 HK cents (six months ended 30 June 2013: basic earnings per share of 0.6 HK cents).

Liquidity, Financial Resources and Gearing

Cash and bank balances as at 30 June 2014 amounted to approximately HK\$452.6 million (31 December 2013: HK\$435.8 million).

The Group had total bank borrowings of approximately HK\$30.3 million as at 30 June 2014 (31 December 2013: HK\$80.5 million). Borrowings classified as current liabilities were approximately HK\$12.4 million (31 December 2013: HK\$85.2 million) and the Group's gearing ratio as at 30 June 2014 was approximately 3% (31 December 2013: 8%), which was based on total bank borrowings to total equity.

經營業績

截至二零一四年六月三十日止六個月，本集團的毛利約16,400,000港元(截至二零一三年六月三十日止六個月：29,000,000港元)。截至二零一四年六月三十日止六個月的毛利率約為37%，而去年同期則約為19%。

行政開支由截至二零一三年六月三十日止六個月約17,000,000港元大幅增加至於回顧期內約60,500,000港元，主要由於中國綠景作出強制性收購要約收購本公司全部證券令本公司應付予董事及香港及中國蘇州僱員的金額及所引致的專業費用合共約39,000,000港元，該收購要約於二零一四年六月內完成。

於二零一四年六月三十日，本集團的投資物業經由獨立物業估值師進行估值，並因此作出截至二零一四年六月三十日止六個月約3,700,000港元的負公允價值調整(截至二零一三年六月三十日止六個月：無)。

於回顧期內，沒有出售投資物業(截至二零一三年六月三十日止六個月：代價為2,100,000港元)。

於回顧期內，出售附屬公司的收益為約39,200,000港元，此乃因出售Accordcity Limited及其附屬公司和新澤管理有限公司及其附屬公司分別錄得約27,400,000港元及11,800,000港元的收益。

截至二零一四年六月三十日止六個月，應佔聯營公司業績主要為Accordcity Limited的聯營公司北京亮馬河於截至完成出售Accordcity Limited日期期間為本集團貢獻盈利約7,000,000港元(截至二零一三年六月三十日止六個月：11,500,000港元)。

截至二零一四年六月三十日止六個月，本公司股東應佔虧損約2,400,000港元(截至二零一三年六月三十日止六個月：盈利7,500,000港元)，每股基本虧損為0.2港仙(截至二零一三年六月三十日止六個月：每股基本盈利為0.6港仙)。

流動資金、財務資源及資本負債比率

於二零一四年六月三十日，現金及銀行結餘為約452,600,000港元(二零一三年十二月三十一日：435,800,000港元)。

於二零一四年六月三十日，本集團的銀行借貸總額為約30,300,000港元(二零一三年十二月三十一日：80,500,000港元)。分類為流動負債的借貸約12,400,000港元(二零一三年十二月三十一日：85,200,000港元)，而本集團於二零一四年六月三十日的資本負債比率(按銀行借貸總額除以總權益計算)約為3%(二零一三年十二月三十一日：8%)。

Management Discussion and Analysis (Cont'd)

管理層討論及分析(續)

Current, Total and Net Assets

As at 30 June 2014, the Group had current assets of approximately HK\$1,356.3 million (31 December 2013: HK\$1,343.0 million) and current liabilities of approximately HK\$560.1 million (31 December 2013: HK\$655.7 million) which represented an increase in net current assets from approximately HK\$687.3 million as at 31 December 2013 to approximately HK\$796.2 million as at 30 June 2014.

As at 30 June 2014, the Group recorded total assets of approximately HK\$1,674.3 million (31 December 2013: HK\$1,876.8 million) and total liabilities of approximately HK\$701.5 million (31 December 2013: HK\$805.9 million), representing a debt ratio (total liabilities over total assets) of approximately 42% (31 December 2013: 43%). Net assets of the Group was approximately HK\$972.8 million as at 30 June 2014 (31 December 2013: HK\$1,070.9 million).

The Group is able to utilise its internal reserves and debt financing to meet the funding requirements when opportunities for land acquisition arise.

Charge on Assets

As at 30 June 2014, bank loans of approximately HK\$24.4 million were secured by investment properties of the Group of approximately HK\$161.5 million.

As at 31 December 2013, bank loans of approximately HK\$57.0 million were secured by certain land and buildings and investment properties of the Group of approximately HK\$37.5 million and HK\$167.7 million respectively.

Contingent Liabilities

The Directors considered that there were no material contingent liabilities as at 30 June 2014.

Exposure to Fluctuations in Exchange Rates and Related Hedges

The Group's monetary assets, loans and transactions are principally denominated in Renminbi, Hong Kong dollars and United States dollars. During the period under review, there was no significant fluctuation in the exchange rates of these three currencies apart from the depreciation of currency of Renminbi against United States and Hong Kong dollars. The Group did not engage in any derivative activities and did not commit to any financial instruments to hedge its statement of financial position exposure for the six months ended 30 June 2014 and in the year 2013.

Treasury Policies and Capital Structure

The Group adopts a prudent approach with respect to treasury and funding policies, with a focus on risk management and transactions that are directly related to the underlying business of the Group.

EMPLOYEES

As at 30 June 2014, the Group had a staff roster of 88 (30 June 2013: 101), of which 72 (30 June 2013: 74) employees were employed in the Mainland China and 16 (30 June 2013: 27) were employed in Hong Kong SAR. The remuneration of employees was in line with the market trends and commensurate to the levels of pay in the industry. Remuneration of the Group's employees includes basic salaries, bonuses and long-term incentives such as the granting of share options within an approved scheme.

流動資產、總資產及資產淨值

於二零一四年六月三十日，本集團擁有流動資產為約1,356,300,000港元(二零一三年十二月三十一日：1,343,000,000港元)及流動負債約560,100,000港元(二零一三年十二月三十一日：655,700,000港元)，流動資產淨值由二零一三年十二月三十一日約687,300,000港元增加至二零一四年六月三十日約796,200,000港元。

於二零一四年六月三十日，本集團錄得總資產為約1,674,300,000港元(二零一三年十二月三十一日：1,876,800,000港元)及總負債約701,500,000港元(二零一三年十二月三十一日：805,900,000港元)，負債比率(總負債除以總資產)為約42%(二零一三年十二月三十一日：43%)。本集團的資產淨值於二零一四年六月三十日為約972,800,000港元(二零一三年十二月三十一日：1,070,900,000港元)。

當有收購土地的機會出現，本集團將能夠利用內部資源及債務融資滿足資金需求。

資產抵押

於二零一四年六月三十日，銀行貸款為約24,400,000港元，由本集團為約161,500,000港元的投資物業作為抵押。

於二零一三年十二月三十一日，銀行貸款為約57,000,000港元，分別由本集團為約37,500,000港元的若干土地及樓宇及約167,700,000港元的投資物業作為抵押。

或然負債

董事認為於二零一四年六月三十日並無重大或然負債。

匯率波動風險及有關對沖

本集團的貨幣資產、貸款和交易主要以人民幣、港元及美元計值。於回顧期內，除人民幣兌美元及港元的匯率有所減值外，該三種貨幣的匯率並無重大波動。本集團並無參與任何衍生工具活動，截至二零一四年六月三十日止六個月及二零一三年度亦沒有使用任何金融工具以對沖財務狀況報表的風險。

財資政策及資本結構

本集團就其財資及資本政策取態審慎，並專注於風險管理及與本集團的相關業務有直接關係的交易。

僱員

於二零一四年六月三十日，本集團僱有88名(二零一三年六月三十日：101名)員工，其中72名(二零一三年六月三十日：74名)員工於中國內地聘用，於香港特別行政區則僱有16名(二零一三年六月三十日：27名)員工。僱員的薪酬與市場趨勢一致，與業內的薪酬水平相若。本集團僱員的薪酬包括基本薪金、花紅及長期獎勵，例如根據獲批准計劃授予購股權。

Other Information

其他資料

CHANGE IN CONTROL AND MANDATORY CASH OFFERS

On 21 January 2014, Belbroughton Limited, Mr. TAOCHAIFU Choofuang, Mr. TAO Richard, Mr. TAO Paul and Tian Xiang Business Limited (together, the Vendors) and China LVGEM as the purchaser, entered into a conditional sale and purchase agreement, pursuant to which the Vendors conditionally agreed to sell and China LVGEM conditionally agreed to acquire a total of 858,800,792 Shares, representing approximately 64.83% of the then issued share capital of the Company, for a total consideration of HK\$944,680,871.20. Completion of the sale and purchase of the Disposal Shares took place on 8 May 2014. China LVGEM (the “Offeror”) was required under the Hong Kong Codes on Takeovers and Mergers to make mandatory unconditional cash offers to acquire all the issued Shares and convertible notes (other than those already owned by or agreed to be acquired by the Offeror, Mr. WONG Hong King (“Mr. WONG”) or parties acting in concert with any of them) and for the cancellation of all outstanding share options of the Company (the “Option Offer”). The Offers were closed on 5 June 2014.

Upon the close of the Offers, 1,098,560,583 Shares, representing approximately 81.50% of the then issued share capital of the Company, were held by the Offeror and its concert parties while 249,316,063 Shares of the Company, representing approximately 18.50% of the then total issued share capital of the Company, were held by the public. Accordingly, the Company could not fulfil the minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules. An application had been made to the Stock Exchange for a waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for the period from 5 June 2014 up to and including 5 September 2014. On 30 June 2014, the Stock Exchange granted the waiver to the Company for a period of three months up to 5 September 2014.

On 7 August 2014, after the allotment and issue of the conversion shares to the CN Subscribers pursuant to the 2011 Convertible Notes, China LVGEM and parties acting in concert with it were interested in 1,013,144,583 Shares and 371,095,698 shares (representing approximately 26.81% of the enlarged issued share capital of the Company) were held in the hands of the public and accordingly the Company is in compliance with the minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules. As disclosed in the announcement of the Company dated 7 August 2014, China LVGEM and parties acting in concert with it would be interested in 1,010,844,583 Shares immediately after the settlement on 8 August 2014 of the 2,300,000 Shares previously disposed of by it.

CHANGE OF COMPANY NAME

The shareholders of the Company have passed a special resolution at the EGM of the Company held on 15 August 2014 to change the English name of the Company from “New Heritage Holdings Ltd.” to “LVGEM (China) Real Estate Investment Company Limited” and to adopt “綠景(中國)地產投資有限公司” as the dual foreign name of the Company. The Company is carrying out necessary filing procedures with the Registrar of Companies in Cayman Islands and Companies Registry in Hong Kong and after such procedures are completed, the Company will announce the change in the Company’s name and stock short names as and when appropriate.

變更控股股東及強制性現金收購要約

在二零一四年一月二十一日，Belbroughton Limited、陶哲甫先生、陶家祈先生、陶錫祺先生及天祥事務有限公司(統稱「賣方」)及中國綠景作為買方訂立了一份有條件買賣協議，據此，賣方有條件地同意出售及中國綠景有條件地同意收購合共858,800,792股股份，相當於本公司當時已發行股本約64.83%，總代價為944,680,871.20港元。出售股份之買賣已於二零一四年五月八日完成。根據香港公司收購及合併守則，中國綠景(「收購方」)須作出強制性無條件現金要約，以收購全部已發行股份及可換股票據(不包括收購方、黃康境先生(「黃先生」)或其任何一方一致行動人士已擁有或同意收購的股份及可換股票據)及註銷本公司全部尚未行使之購股權(「購股權收購要約」)。該收購要約已於二零一四年六月五日截止。

於收購要約截止後，收購方及與其一致行動之人士持有1,098,560,583股股份，相當於本公司當時已發行股本約81.50%，而公眾人士則持有249,316,063股本公司股份，相當於本公司當時全部已發行股本約18.50%。因此，本公司未能符合上市規則第8.08(1)(a)條之最低公眾持股量規定。本公司已向聯交所申請豁免於二零一四年六月五日至二零一四年九月五日(包括該日)期間嚴格遵守上市規則第8.08(1)(a)條。於二零一四年六月三十日，聯交所已向本公司授出豁免，為期三個月至二零一四年九月五日止。

於二零一四年八月七日，根據二零一一年可換股票據，向可換股票據認購者配發及發行兌換股份後，中國綠景及與其一致行動人士於1,013,144,583股股份中擁有權益，而371,095,698股股份(佔本公司經擴大已發行股本約26.81%)由公眾人士持有，因此，本公司已遵守上市規則第8.08(1)(a)條之最低公眾持股量的規定。誠如本公司日期為二零一四年八月七日之公告所披露，中國綠景及與其一致行動人士於緊隨二零一四年八月八日結算其之前出售之2,300,000股股份後，將於1,010,844,583股股份中擁有權益。

更改公司名稱

本公司股東已於二零一四年八月十五日舉行的本公司股東特別大會上通過特別決議案，將本公司英文名稱由「New Heritage Holdings Ltd.」更改為「LVGEM (China) Real Estate Investment Company Limited」及採納中文名稱「綠景(中國)地產投資有限公司」作為本公司雙重外文名稱。本公司正向開曼群島公司註冊處及香港公司註冊處辦理必要存檔手續，待完成有關手續後，本公司將在適當時候公佈更改本公司之名稱及股份簡稱。

Other Information (Cont'd)

其他資料(續)

SHARE OPTION SCHEME

Pursuant to the written resolutions of all the then shareholders passed on 14 November 2005, the Company has conditionally adopted the Share Option Scheme ("Scheme").

Pursuant to the Scheme, the Board may, at its discretion, invite any executive or non-executive Directors including independent non-executive Directors or any employees (whether full-time or part-time) of the Company, its subsidiaries and associated companies; any discretionary objects of a discretionary trust established by any employees, executive or non-executive directors of each member of the Group or its associated companies; any consultants, professional and other advisers to each member of the Group or its associated companies (or persons, firms or companies proposed to be appointed for providing such services); any chief executives or substantial shareholders of the Company; any associates of any Director, chief executive or substantial shareholder of the Company; and any employees (whether full-time or part-time) of substantial shareholders of the Company, provided that the Board may have absolute discretion to determine whether or not one falls within the above categories, (together, the "Participants" and each a "Participant"), to take up options ("Option(s)") to subscribe for Shares at a price determined in accordance with the Listing Rules.

In determining the basis of eligibility of each Participant, the Board would take into account such factors as the Board may at its discretion consider appropriate.

The Scheme shall be valid and effective for a period of 10 years commencing on the date on which the Scheme is adopted, after which period no further Options will be granted but in all other respects the provisions of the Scheme shall remain in full force and effect, and Options which are granted during the life of the Scheme may continue to be exercisable in accordance with their terms of grant.

The total number of Shares, which may be issued upon exercise of all Options to be granted under the Scheme and any other share option scheme of the Company shall not in aggregate exceed 10% of the total number of Shares in issue on the date of commencement of dealings in the shares on the Stock Exchange ("Scheme Mandate Limit"), unless the Company obtains an approval from its shareholders. Options lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating such 10% limit.

On 5 May 2014, an ordinary resolution regarding the refreshment of Scheme Mandate Limit was approved by the shareholders of the Company at the annual general meeting ("AGM"). Starting from 5 May 2014, further Options to subscribe up to 132,460,664 shares, being 10% of the total number of Shares in issue on the date of the AGM are available to be granted under the Scheme.

購股權計劃

根據當時全體股東於二零零五年十一月十四日通過的書面決議案，本公司已有條件採納購股權計劃(「該計劃」)。

根據該計劃，董事會可酌情邀請本公司、其附屬公司及聯營公司的任何執行或非執行董事，包括獨立非執行董事或任何僱員(不論全職或兼職)；本集團各成員公司或其聯營公司的任何僱員、執行或非執行董事所設立的全權信託的任何全權受益人；本集團各成員公司或其聯營公司的任何諮詢人、專業人士及其他顧問(或擬委任以提供該等服務的人士、商行或公司)；本公司任何主要行政人員或主要股東；本公司任何董事、主要行政人員或主要股東的任何聯繫人；及本公司主要股東的任何僱員(不論全職或兼職)，惟董事會可全權酌情釐定有關人士是否屬於上述類別(上述人士均稱為及合稱「參與者」)，以接納購股權(「購股權」)，並根據上市規則之規定確定的價格認購股份。

於釐定各參與者的資格標準時，董事會將考慮其可能酌情認為恰當的因素。

該計劃自獲採納日期起計有效期為十年，在限期後不會再授出購股權，惟在所有其他方面，該計劃的條文仍具有十足效力及作用，於該計劃期限內授出的購股權可按其授出條款繼續行使。

因行使根據該計劃及本公司任何其他購股權計劃授出的所有購股權可發行的股份總數，合共不得超過於聯交所開始買賣當日已發行股份總數的10%(「計劃授權限額」)，惟本公司取得股東的批准則除外。計算該10%限額並不計及根據該計劃條款已失效的購股權。

於二零一四年五月五日，一項更新計劃授權限額的普通決議案於股東週年大會(「股東週年大會」)獲本公司股東批准。自二零一四年五月五日起，根據該計劃，可進一步授出認購最多達132,460,664股股份的購股權，相當於股東週年大會日期已發行股份總數的10%。

Other Information (Cont'd)

其他資料(續)

SHARE OPTION SCHEME (Cont'd)

Notwithstanding any other provisions of the Scheme, the maximum number of the Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of Shares in issue from time to time.

Unless approved by the shareholders, the total number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised and outstanding Options) in any 12-month period shall not exceed 1% of the total number of Shares in issue.

Offer of an Option by the Company shall be deemed to have been accepted by any Participant (the "Grantee") who accepts an offer in accordance with the terms of the Scheme and the Option to which the offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the offer letter comprising acceptance of the offer duly signed by the Grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the granting thereof is received by the Company within 14 days from the date upon which the offer is made.

Details of the movements in share options during the period are as follows:

購股權計劃(續)

儘管該計劃另有任何規定，於行使該計劃及本公司任何其他購股權計劃的已授出但尚未行使的所有未行使購股權時，最多可發行的股份數目不得超過不時已發行股份總數的30%。

除非獲股東批准，於任何十二個月期間因行使授予每名參與者的購股權(包括已行使及尚未行使的購股權)而已發行及將予發行的股份總數，不得超過已發行股份總數的1%。

任何參與者(「承授人」)凡按照該計劃的條款接納本公司購股權要約，即被視為接納要約，而當載有接納要約的要約書副本由承授人妥為簽署，並在本公司作出要約當日起14日內，接獲承授人在接納購股權時須向本公司支付1.00港元作為授出購股權的代價後，與要約有關的購股權即被視為已授出並生效。

於期內購股權變動詳情如下：

Number of share options 購股權數目

	Date of grant dd/mm/yyyy 授出日期 日/月/年	Exercisable period dd/mm/yyyy 行使期間 日/月/年	Balance at 1 January 2014 於二零一四年 一月一日 結餘	Granted during the period 於期內 授出	Exercised during the period 於期內 行使	Lapsed during the period 於期內 失效	Cancelled pursuant to acceptance under the Option Offer by China LVGEM 根據中國綠景 接納購股權 要約而註銷	Balance at 30 June 2014 於二零一四年 六月三十日 結餘	Exercise price per share HK\$ 每股 行使價 港元
Executive Directors 執行董事									
Mr. TAOCHAIFU Choofuang (Note i) 陶哲甫先生(附註i)	04/09/2012	04/09/2012 – 03/09/2017	1,000,000	–	1,000,000	–	–	–	0.235 (Note ii) (附註ii)
Mr. TAO Richard (Note i) 陶家祈先生(附註i)	04/09/2012	04/09/2012 – 03/09/2017	1,000,000	–	1,000,000	–	–	–	0.235 (Note ii) (附註ii)
Mr. TAO Paul (Note i) 陶錫祺先生(附註i)	04/09/2012	04/09/2012 – 03/09/2017	1,000,000	–	1,000,000	–	–	–	0.235 (Note ii) (附註ii)
Mr. KONG Mui Sum Lawrence (Note i) 江焱森先生(附註i)	04/09/2012	04/09/2012 – 03/09/2017	4,000,000	–	4,000,000	–	–	–	0.235 (Note ii) (附註ii)
Mr. YIM Chun Leung 嚴振亮先生	04/09/2012	04/09/2012 – 03/09/2017	9,000,000	–	9,000,000	–	–	–	0.235 (Note ii) (附註ii)
Employees of the Group 本集團僱員	04/09/2012	04/09/2012 – 03/09/2017	7,750,000	–	7,270,000	–	480,000 (Note iii) (附註iii)	–	0.235 (Note ii) (附註ii)

Other Information (Cont'd)

其他資料(續)

SHARE OPTION SCHEME (Cont'd)

Notes:

- (i) Mr. TAOCHAIFU Choojuang, Mr. TAO Richard, Mr. TAO Paul and Mr. KONG Mui Sum Lawrence resigned as executive Directors on 5 June 2014.
- (ii) Please refer to 2012 Annual Report for the details of the fair value of the Options granted in 2012.
- (iii) Certain holders of the Options have accepted the option offer made by China LVGEM pursuant to the Offers in respect of 480,000 Options pursuant to the Composite Document dated 15 May 2014 jointly issued by the Company and China LVGEM. Please refer to the announcement dated 5 June 2014 jointly issued by the Company and China LVGEM for details.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2014, none of the Directors, chief executives and their associates, had any interests or short positions in the Shares and underlying shares of the Company or any of its associated corporations as recorded in the register required to be kept by the Company pursuant to section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

The register of substantial shareholders required to be kept under section 336 of Part XV of the SFO shows that as at 30 June 2014, the Company had been notified of the following substantial shareholders' interests, being 5% or more of the Company's issued share capital:

Name of Shareholder	Long position/ Short position	Capacity	Number of Shares/underlying shares held	Aggregate interests	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本之 概約百分比	Note
股東名稱	好倉/淡倉	身份	所持股份/ 相關股份的數目	權益總額		附註
China LVGEM Property Holdings Limited 中國綠景地產控股有限公司	Long position 好倉	Beneficial owner 實益擁有人	1,098,560,583	1,098,560,583	81.50%	1
Go Great International Limited ("Go Great")	Long position 好倉	Interests of controlled corporation 受控法團權益	1,098,560,583	1,098,560,583	81.50%	1
Mr. WONG Hong King 黃康境先生	Long position 好倉	Interests of controlled corporation 受控法團權益	1,098,560,583	1,098,560,583	81.50%	1

Note:

1. These 1,098,560,583 Shares represent the 858,800,792 Sale Shares acquired by China LVGEM pursuant to the Sale and Purchase Agreement dated 21 January 2014 and 239,759,791 Shares under the acceptance of the share offer made by China LVGEM. China LVGEM is owned as to 100% by Go Great, which is in turn owned as to 100% by Mr. WONG. Accordingly, Go Great and Mr. WONG are deemed to be interested in the 1,098,560,583 Shares held by China LVGEM.

購股權計劃(續)

附註:

- (i) 陶哲甫先生、陶家祈先生、陶錫祺先生及江森森先生於二零一四年六月五日辭任執行董事。
- (ii) 於二零一二年授出的購股權的公允價值詳情請參閱二零一二年年報。
- (iii) 根據本公司及中國綠景聯合刊發日期為二零一四年五月十五日之綜合文件，根據中國綠景作出的收購要約，若干購股權持有人已就480,000份購股權接納購股權收購要約。詳情請參閱本公司及中國綠景聯合刊發日期為二零一四年六月五日之公告。

董事及主要行政人員於本公司的股份及相關股份中擁有的權益

於二零一四年六月三十日，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條所置存的登記冊所示，董事、主要行政人員及彼等之聯繫人概無於本公司或其任何相聯法團之股份及相關股份中擁有任何權益或淡倉，或根據上市規則所載董事進行證券交易的標準守則須以其他方式知會本公司及聯交所的權益。

主要股東於本公司的股份及相關股份中擁有的權益

根據證券及期貨條例第XV部第336條須予存置的登記冊所示，於二零一四年六月三十日，本公司之主要股東（為本公司已發行股本的5%或以上）已通知本公司有關之權益，詳情如下：

Name of Shareholder	Long position/ Short position	Capacity	Number of Shares/underlying shares held	Aggregate interests	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本之 概約百分比	Note
股東名稱	好倉/淡倉	身份	所持股份/ 相關股份的數目	權益總額		附註
China LVGEM Property Holdings Limited 中國綠景地產控股有限公司	Long position 好倉	Beneficial owner 實益擁有人	1,098,560,583	1,098,560,583	81.50%	1
Go Great International Limited ("Go Great")	Long position 好倉	Interests of controlled corporation 受控法團權益	1,098,560,583	1,098,560,583	81.50%	1
Mr. WONG Hong King 黃康境先生	Long position 好倉	Interests of controlled corporation 受控法團權益	1,098,560,583	1,098,560,583	81.50%	1

附註:

1. 該等1,098,560,583股股份代表根據日期為二零一四年一月二十一日之買賣協議由中國綠景收購858,800,792股銷售股份，及根據中國綠景作出的股份收購要約接納239,759,791股股份。Go Great擁有中國綠景100%之權益（亦即黃先生擁有中國綠景100%之權益）。因此，Go Great及黃先生被視為於中國綠景所持有之該等1,098,560,583股股份擁有權益。

Other Information (Cont'd)

其他資料(續)

PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Company has not redeemed any of its Shares during the period. Other than the issue of 23,270,000 Shares by the Company pursuant to the exercise of share options during the period, neither the Company nor any of its subsidiaries has purchased or sold any of the Company's Shares during the period.

CONNECTED TRANSACTIONS

The Group had the following connected transactions, certain details of which were disclosed in compliance with the requirements of the Listing Rules.

HK\$75 million 6% Convertible Notes Subscription Agreement

On 5 July 2011, the Company entered into a subscription agreement with AFHL and AICL (AICL is a subsidiary of AFHL which is controlled by the associates of Mr. CHAN Bernard Charnwut, the former non-executive Director of the Company) whereby the Company agreed to issue and AFHL and AICL agreed to subscribe the HK\$50 million and HK\$25 million 6% convertible note ("2011 Convertible Notes") with maturity date falling 36 months from the date of issue of the 2011 Convertible Notes respectively. Pursuant to the term of the 2011 Convertible Notes, the holder of the 2011 Convertible Notes can convert the 2011 Convertible Notes at the conversion price of HK\$1.10 per Share. The principal amount of HK\$35 million (HK\$25 million for AFHL and HK\$10 million for AICL) of the 2011 Convertible Notes shall be compulsorily converted at the conversion price of HK\$1.10 within seven business days if the closing price per share is HK\$1.10 or higher for ten consecutive trading days during the period from the issue day of the 2011 Convertible Notes up to five business days prior to the maturity date ("Compulsory Conversion Clause"). This transaction was approved by the shareholders at the EGM of the Company on 16 September 2011. The 2011 Convertible Notes were issued on 30 September 2011. The subscription price of the 2011 Convertible Notes has been applied by the Company to set off part of the amount for redemption of the HK\$75 million 5% convertible notes issued by the Company on 15 October 2007.

The Compulsory Conversion Clause was triggered on 18 December 2013 and the Company has duly allotted and issued an aggregate of 31,818,181 conversion shares to the CN Subscribers on 20 December 2013.

On 7 August 2014, the Company received notice from AFHL and AICL, requesting for the conversion of the 2011 Convertible Notes in the principal amount of HK\$25,000,000 and HK\$15,000,000, respectively. Accordingly, the Company has allotted and issued a total of 36,363,635 conversion shares to the CN Subscribers at the conversion price of HK\$1.10 per conversion share on 7 August 2014. Upon the conversion, no 2011 Convertible Notes remained outstanding.

NHDL Acquisition Agreement

On 28 February 2014, the Group as purchaser entered into the NHDL Acquisition Agreement with Onsite Investment Limited as vendor in respect of the sale and purchase of 15 shares in the capital of NH Development and the shareholder's loan due and owing by NH Development to Onsite Investment Limited as at the date of the NHDL Acquisition Agreement at a consideration of HK\$72,919,000 in aggregate (apportioned as to HK\$46,459,000 for the sale shares and as to HK\$26,460,000 for the shareholder's loan). Completion of the NHDL Acquisition Agreement was subject to the satisfaction of all the conditions precedent to the NHDL Acquisition Agreement. Further details of the NHDL Acquisition Agreement are disclosed in the circular of the Company dated 14 April 2014. The NHDL Acquisition Agreement has been completed on 8 May 2014.

購回、出售或贖回上市證券

本公司於期內並無贖回本公司任何股份。除本公司於期內根據行使購股權發行23,270,000股股份外，本公司及其附屬公司於期內並無買入或出售本公司任何股份。

關連交易

本集團存在下列之關連交易，其某些詳情已遵守上市規則的規定披露。

75,000,000港元6%可換股票據認購協議

於二零一一年七月五日，本公司與亞洲金融及亞洲保險（亞洲保險為亞洲金融之附屬公司，亞洲金融由本公司前非執行董事陳智思先生之聯繫人控制）簽訂認購協議，據此，本公司同意發行而亞洲金融及亞洲保險分別同意認購50,000,000港元及25,000,000港元之6%可換股票據（「二零一一年可換股票據」），二零一一年可換股票據於發行日起計滿36個月當日到期。根據二零一一年可換股票據條款，二零一一年可換股票據持有人可以每股股份1.10港元之兌換價兌換二零一一年可換股票據。如自二零一一年可換股票據發行當日至到期日前五個營業日期間連續十個交易日的每股收市價為1.10港元或以上，則二零一一年可換股票據的本金額35,000,000港元（亞洲金融為25,000,000港元，而亞洲保險為10,000,000港元）須於七個營業日內強制按兌換價1.10港元兌換（「強制兌換條款」）。此項交易已獲股東於二零一一年九月十六日的本公司股東特別大會批准。二零一一年可換股票據於二零一一年九月三十日發行。本公司已把二零一一年可換股票據的認購價用於抵銷贖回由本公司於二零零七年十月十五日發行75,000,000港元5%可換股票據的部分贖回金額。

強制兌換條款已於二零一三年十二月十八日觸發，而本公司已正式於二零一三年十二月二十日配發及發行合共31,818,181股兌換股份予可換股票據認購者。

於二零一四年八月七日，本公司接獲亞洲金融及亞洲保險之通知，要求兌換本金額分別為25,000,000港元及15,000,000港元之二零一一年可換股票據。因此，本公司已於二零一四年八月七日按每股兌換股份1.10港元之兌換價，向可換股票據認購者配發及發行合共36,363,635股兌換股份。於兌換後，概無二零一一年可換股票據尚未行使。

新繼發展收購協議

於二零一四年二月二十八日，本集團（作為買方）與Onsite Investment Limited（作為賣方）就買賣新繼發展股本中15股股份及於新繼發展收購協議日期新繼發展結欠Onsite Investment Limited股東貸款，訂立新繼發展收購協議，代價合共72,919,000港元（攤分銷售股份代價為46,459,000港元及股東貸款代價為26,460,000港元）。新繼發展收購協議須待新繼發展收購協議全部先決條件獲達成後方告完成。新繼發展收購協議進一步詳情已於本公司日期為二零一四年四月十四日通函中披露。新繼發展收購協議已於二零一四年五月八日完成。

Other Information (Cont'd)

其他資料(續)

CONNECTED TRANSACTIONS (Cont'd)

NHDL Acquisition Agreement (Cont'd)

Onsite Investment Limited was beneficially owned as to 70% by AFHL and 30% by Ultra Plan Ltd.. Both AFHL and Ultra Plan Ltd. were deemed to be controlled by the associates of Mr. CHAN Bernard Charnwut, who was the former non-executive Director and an executive director of AFHL. Accordingly, Onsite Investment Limited was controlled by the associates of Mr. CHAN Bernard Charnwut and thus was a connected person of the Company under the Listing Rules.

Accordcity Disposal Agreement

On 28 February 2014, the Group as vendor entered into the Accordcity Disposal Agreement with Highmind Limited as purchaser in respect of the sale and purchase of the entire issued share capital of Accordcity Limited and the shareholder's loan due and owing by Accordcity Limited to the Group at completion of the Accordcity Disposal Agreement, which was estimated to be HK\$76,100,000, at a consideration of HK\$170,252,000 in aggregate (apportioned as to HK\$94,152,000 for the sale shares and as to HK\$76,100,000 for the shareholder's loan), subject to a dollar-to-dollar adjustment to the consideration for the shareholder's loan such that the consideration for the shareholder's loan shall be equal to the face value of the actual shareholder's loan at the completion date. Completion of the Accordcity Disposal Agreement was subject to the satisfaction of all the conditions precedent to the Accordcity Disposal Agreement. Further details of the Accordcity Disposal Agreement are disclosed in the circular of the Company dated 14 April 2014. The Accordcity Disposal Agreement has been completed on 8 May 2014.

Highmind Limited was wholly and beneficially owned by Gavett Limited, which in turn was wholly and beneficially owned by Mr. TAOCHAIFU Choofuang, Mr. TAO Richard, Mr. TAO Paul and their respective associates. Mr. TAOCHAIFU Choofuang, Mr. TAO Richard and Mr. TAO Paul were also the directors of Highmind Limited. Also each of Mr. TAOCHAIFU Choofuang, Mr. TAO Richard and Mr. TAO Paul is a former executive Director.

NHML Disposal Agreement

On 28 February 2014, the Group as vendor entered into the NHML Disposal Agreement with Gavett Limited as purchaser in respect of the sale and purchase of the entire issued share capital of New Heritage Management Limited and the shareholder's loan due and owing by New Heritage Management Limited to the Group at completion of the NHML Disposal Agreement, which was estimated to be HK\$9,000,000, at a consideration of HK\$23,210,000 in aggregate (apportioned as to HK\$14,210,000 for the sale shares and as to HK\$9,000,000 for the shareholder's loan), subject to a dollar-to-dollar adjustment to the consideration for the shareholder's loan such that the consideration for the shareholder's loan shall be equal to the face value of the actual shareholder's loan at the completion date. Completion of the NHML Disposal Agreement was subject to the satisfaction of all the conditions precedent to the NHML Disposal Agreement. Further details of the NHML Disposal Agreement are disclosed in the circular of the Company dated 14 April 2014. The NHML Disposal Agreement has been completed on 8 May 2014.

Gavett Limited was wholly and beneficially owned by Mr. TAOCHAIFU Choofuang, Mr. TAO Richard, Mr. TAO Paul and their respective associates. Mr. TAOCHAIFU Choofuang, Mr. TAO Richard and Mr. TAO Paul were also the directors of Gavett Limited. Also each of Mr. TAOCHAIFU Choofuang, Mr. TAO Richard and Mr. TAO Paul was a former executive Director.

關連交易(續)

新繼發展收購協議(續)

Onsite Investment Limited分別由亞洲金融及Ultra Plan Ltd.實益擁有70%及30%。亞洲金融及Ultra Plan Ltd.均被視為由前非執行董事兼亞洲金融董事陳智思先生之聯繫人控制。因此，Onsite Investment Limited被視為由陳智思先生之聯繫人控制，根據上市規則，因而為本公司之關連人士。

Accordcity出售協議

於二零一四年二月二十八日，本集團(作為賣方)與Highmind Limited(作為買方)就買賣Accordcity Limited全部已發行股本及於Accordcity出售協議完成後Accordcity Limited結欠本集團股東貸款(估計為76,100,000港元)，訂立Accordcity出售協議，代價合共170,252,000港元(攤分銷售股份代價為94,152,000港元及股東貸款代價為76,100,000港元)，惟股東貸款代價須進行等額調整，股東貸款代價須相等於在完成日期實際股東貸款之賬面值。Accordcity出售協議待Accordcity出售協議全部先決條件達成後方告完成。Accordcity出售協議進一步詳情已於本公司日期為二零一四年四月十四日通函中披露。Accordcity出售協議已於二零一四年五月八日完成。

Highmind Limited由Gavett Limited全資實益擁有，而Gavett Limited則由陶哲甫先生、陶家祈先生、陶錫祺先生及彼等各自之聯繫人全資實益擁有。陶哲甫先生、陶家祈先生及陶錫祺先生均為Highmind Limited之董事。以及陶哲甫先生、陶家祈先生及陶錫祺先生均為前執行董事。

新澤管理出售協議

於二零一四年二月二十八日，本集團(作為賣方)與Gavett Limited(作為買方)就買賣新澤管理有限公司全部已發行股本及於新澤管理出售協議完成後新澤管理有限公司結欠本集團股東貸款(估計為9,000,000港元)，訂立新澤管理出售協議，代價合共23,210,000港元(攤分銷售股份代價為14,210,000港元及股東貸款代價為9,000,000港元)，惟股東貸款代價須進行等額調整，股東貸款代價須相等於在完成日期實際股東貸款之賬面值。新澤管理出售協議待新澤管理出售協議全部先決條件達成後方告完成。新澤管理出售協議進一步詳情已於本公司日期為二零一四年四月十四日通函中披露。新澤管理出售協議已於二零一四年五月八日完成。

Gavett Limited由陶哲甫先生、陶家祈先生、陶錫祺先生及彼等各自之聯繫人全資實益擁有。陶哲甫先生、陶家祈先生及陶錫祺先生均為Gavett Limited之董事，以及陶哲甫先生、陶家祈先生及陶錫祺先生均為前執行董事。

Other Information (Cont'd)

其他資料(續)

RELATED PARTY TRANSACTIONS

The Group entered into certain transactions with parties regarded as “Related Parties” under applicable accounting principles. These mainly relate to contracts entered into by the Group in the ordinary course of business, which contracts were negotiated on normal commercial terms and on an arm’s length basis.

The related party transactions as described in note 19 to the interim financial report constitute continuing connected transactions of the Company exempt from the reporting, announcement and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

CORPORATE GOVERNANCE

The Company is committed to the establishment of good corporate practices and procedures. The corporate governance principles of the Company emphasise a quality board, transparency and accountability to all shareholders of the Company.

Throughout the six months ended 30 June 2014, save as disclosed below, the Group complied with all code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules.

In respect of Code Provision A.6.7 of the Corporate Governance Code, a former non-executive Director did not attend the AGM and EGM of the Company both held on 5 May 2014 due to other engagements.

MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors’ securities transactions. The obligation to follow the Listing Rules is set out in the terms of the service agreements of each executive Director and the letters of appointment of each independent non-executive Director. Having made specific enquiry of all the Directors, the Directors confirmed that they have complied with the required standard as set out in the Model Code for the six months ended 30 June 2014.

DIRECTORS’ SERVICE AGREEMENTS

On 15 August 2014, each of Mr. YIM Chun Leung (“Mr. YIM”), Miss HUANG Jingshu, Mr. YE Xingan, Mr. CHEN Tieshen and Ms. DENG Chengying entered into a new service agreement (the “New Service Agreement”) with the Company for a term of two years commencing from 6 June 2014 (in respect of Mr. YIM) and 15 May 2014 (in respect of the other executive Directors) respectively and is subject to termination by the executive Director or the Company in the manner as set out in the New Service Agreements.

The New Service Agreement between the Company and Mr. YIM (“Mr. Yim’s New Service Agreement”) contains express terms which provide that, in order to entitle the Company to terminate Mr. Yim’s New Service Agreement, the Company may be required to pay compensation or make other payments equivalent to more than one year’s emoluments of Mr. YIM. Pursuant to Rule 13.68 of the Listing Rules, the relevant independent shareholders of the Company passed an ordinary resolution to approve the entering into of Mr. Yim’s New Service Agreement at the EGM of the Company on 15 August 2014. Please refer to the circular of the Company dated 23 July 2014 and the announcement of the Company dated 15 August 2014 for details.

關連人士交易

本集團與根據適用會計原則被視為「關連人士」之人士訂立若干交易。此等交易主要涉及本集團於日常業務過程中按一般商業條款經公平原則磋商而訂立之合約。

於中期財務報告附註19所述之關連人士交易構成本公司之持續關連交易，獲豁免遵守上市規則第14A條有關申報、公佈及獨立股東批准之規定。

企業管治

本公司致力建立良好之企業管治慣例及程序。本公司之企業管治原則著重優秀之董事局、透明度及向本公司所有股東問責。

截至二零一四年六月三十日止六個月內，除下文所披露外，本集團一直遵守上市規則附錄十四所載之《企業管治守則》所載之所有守則條文規定。

就企業管治守則第A.6.7項守則條文而言，前非執行董事因其他事務未克出席二零一四年五月五日舉行之本公司股東週年大會及股東特別大會。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「標準守則」），作為其董事進行證券交易之操守守則。各執行董事之服務合約條文及各獨立非執行董事之委任信件中已載有遵守上市規則之責任。經本公司向全體董事作出特定查詢後，全體董事確認，彼等於截至二零一四年六月三十日止六個月一直遵守標準守則所規定的標準。

董事服務合約

於二零一四年八月十五日，嚴振亮先生（「嚴先生」）、黃敬舒小姐、葉興安先生、陳鐵身先生及鄧承英女士已各自與本公司訂立新服務合約（「新服務合約」），任期為兩年，分別自二零一四年六月六日（就嚴先生而言）及二零一四年五月十五日（就其他執行董事而言）起生效。於新服務合約內註明下可由執行董事或以本公司根據合約條款終止其服務合約。

本公司與嚴先生所訂立的新服務協議（「嚴先生新服務協議」）載有明確條款，規定為賦予本公司終止嚴先生新服務協議的權利，本公司或被要求支付補償或作出其他付款，而有關補償或付款相等於嚴先生一年以上的酬金。根據上市規則第13.68條，本公司相關獨立股東於二零一四年八月十五日舉行的股東特別大會上通過普通決議案批准訂立嚴先生新服務協議。詳情請參閱本公司日期為二零一四年七月二十三日之通函及本公司日期為二零一四年八月十五日的公告。

Other Information (Cont'd)

其他資料(續)

DIRECTORS' SERVICE AGREEMENTS (Cont'd)

On 15 August 2014, each of Mr. ZHU Jiu Sheng, Mr WANG Jing and Ms. HU Gin Ing entered into a letter of appointment with the Company for a term of two years commencing from 15 May 2014; and such letters of appointment may be terminated by either party by giving one month's written notice.

Save as disclosed above, no Director had a service agreement or letter of appointment with the Company which was not determinable by the Company within one year without payment of compensation, other than statutory compensation.

CHANGES IN DIRECTORS' INFORMATION

Changes in directors' information since the date of the 2013 annual report of the Company and up to the date of this report which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are as follows:

Mr. YIM has been appointed on 31 May 2014 as an independent non-executive director of China New City Commercial Development Limited (stock code: 1321), the shares of which are listed on the Stock Exchange.

Pursuant to the passing of an ordinary resolution by the relevant independent shareholders of the Company at the EGM of the Company to approve the entering into of Mr. Yim's New Service Agreement on 15 August 2014, Mr. YIM has been appointed as the Chief Executive Officer of the Company which appointment took effect retrospectively from 7 July 2014. In addition, on 15 August 2014, the Company and Mr. YIM entered into Mr. Yim's New Service Agreement, under which there have been changes to the emoluments of Mr. YIM. Please refer to the announcement of the Company dated 7 July 2014 and the circular of the Company dated 23 July 2014 for the emoluments of Mr. YIM under Mr. Yim's New Service Agreement.

REVIEW OF INTERIM FINANCIAL REPORT

The auditor of the Company, BDO Limited, has performed an independent review on the interim financial report set out on pages 24 to 56 in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. On the basis of the auditor's review, which does not constitute an audit, BDO Limited confirmed in writing that nothing has come to the auditor's attention that causes the auditor to believe that the interim financial report is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34. The interim results of the Group for the six months ended 30 June 2014 have also been reviewed by the members of the Audit Committee before submission to the Board for approval. The Audit Committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

董事服務合約(續)

於二零一四年八月十五日，祝九勝先生、王敬先生及胡競英女士已各自與本公司訂立委任函，自二零一四年五月十五日起，任期為兩年，及其委任函其中一方向可另一方發出一個月的書面通知終止委任協議。

除上文披露者外，董事概無與本公司訂立不可由本公司於一年內不付賠償(法定賠償除外)而終止之服務協議或委任函。

董事資料變動

自本公司二零一三年年報日期起至本報告日期止，根據上市規則第13.51B(1)條規定須予披露的董事資料變動如下：

嚴先生已於二零一四年五月三十一日獲委任為中國新城市商業發展有限公司(股份代號：1321)的獨立非執行董事，該公司股份於聯交所上市。

根據本公司相關獨立股東於二零一四年八月十五日舉行的本公司股東特別大會上通過批准訂立嚴先生新服務協議的普通決議案，嚴先生已獲委任為本公司行政總裁，其委任從二零一四年七月七日起追溯生效。此外，於二零一四年八月十五日，本公司與嚴先生訂立嚴先生新服務協議，據此，嚴先生的酬金有所變動。有關嚴先生於嚴先生新服務協議項下的酬金資料，請參閱本公司日期為二零一四年七月七日的公告及本公司日期為二零一四年七月二十三日的通函。

審閱中期財務報告

本公司之核數師香港立信德豪會計師事務所有限公司已按照香港會計師公會頒佈之香港審閱工作準則第2410號「公司獨立核數師對中期財務資料審閱」就載於第24至56頁之中期財務報告進行獨立審閱。根據核數師審閱(不構成審核)的結果，香港立信德豪會計師事務所有限公司已作出書面確認，彼等並無注意到任何事項令彼等相信中期財務報告在各重大方面未有根據香港會計準則第34號編製。本集團截至二零一四年六月三十日止六個月的中期業績，在提呈董事會批准前亦經審核委員會的成員審閱。審核委員會認為，該等業績的編製符合適用會計準則及規定，並已作出適當披露。

Independent Review Report

獨立審閱報告



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REPORT ON REVIEW OF INTERIM FINANCIAL REPORT TO THE BOARD OF DIRECTORS OF NEW HERITAGE HOLDINGS LTD. (incorporated in the Cayman Islands with limited liability)

中期財務報告審閱報告 致新澤控股有限公司董事會 (於開曼群島註冊成立之有限公司)

INTRODUCTION

We have reviewed the interim financial report set out on pages 24 to 56, which comprises the consolidated statement of financial position of New Heritage Holdings Ltd. as of 30 June 2014 and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended, and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial report in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

緒言

吾等已審閱載於第24至56頁的中期財務報告，包括新澤控股有限公司於二零一四年六月三十日的綜合財務狀況報表，以及截至該日止六個月期間的相關綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及其他說明附註。香港聯合交易所有限公司證券上市規則規定，編製中期財務資料的報告必須符合有關的上市規則條文及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」。本公司董事須負責根據香港會計準則第34號「中期財務報告」編製及呈列本中期財務報告。

Our responsibility is to express a conclusion on this interim financial report based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

吾等的責任是根據吾等對本中期財務報告的審閱結果作出結論。吾等按照委聘的協定條款僅向作為實體的閣下作出報告，除此之外概無其他目的。吾等不會就本報告的內容向任何其他人士負責或承擔責任。

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

審閱範圍

吾等已根據香港會計師公會頒佈的香港審閱工作準則第2410號「公司獨立核數師對中期財務資料審閱」進行審閱。審閱中期財務報告包括主要向負責財務及會計事務的人員作出查詢，並應用分析和其他審閱程序。審閱範圍遠少於根據香港核數準則進行審核的範圍，故吾等無法保證知悉在審核中可能識別的所有重大事項。因此，吾等並不發表審核意見。

BDO Limited
香港立信德豪會計師事務所有限公司

BDO Limited, a Hong Kong limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Independent Review Report (Cont'd)

獨立審閱報告(續)



CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34.

BDO Limited

Certified Public Accountants
Chiu Wing Cheung Ringo
Practising Certificate Number: P04434

Hong Kong, 28 August 2014

結論

按照吾等的審閱，吾等並無注意到任何事項令吾等相信中期財務報告在各重大方面未有根據香港會計準則第34號編製。

香港立信德豪會計師事務所有限公司

執業會計師
招永祥
執業證書編號：P04434

香港，二零一四年八月二十八日

Consolidated Income Statement

綜合收益表

For the six months ended 30 June 2014
截至二零一四年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月		
		Notes 附註	2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue	收益	4	44,671	153,638
Cost of sales	銷售成本		(28,262)	(124,654)
Gross profit	毛利		16,409	28,984
Other income	其他收入	4	4,386	2,958
Selling expenses	銷售開支		(2,979)	(5,372)
Administrative expenses	行政開支		(60,491)	(16,958)
Fair value adjustments on investment properties	投資物業的公允價值調整		(3,700)	–
Loss on disposal of investment properties	出售投資物業的虧損		–	(256)
Gain on disposal and deregistration of subsidiaries	出售及註銷附屬公司的收益	17	39,166	8,898
Finance costs	融資成本	5	(815)	(760)
Share of results of associates	應佔聯營公司業績		7,038	11,482
(Loss)/Profit before income tax	除所得稅前(虧損)/盈利	6	(986)	28,976
Income tax expense	所得稅開支	7	(2,324)	(16,406)
(Loss)/Profit for the period	期內(虧損)/盈利		(3,310)	12,570
(Loss)/Profit for the period attributable to:	以下人士應佔期內(虧損)/盈利：			
Owners of the Company	本公司股東		(2,400)	7,530
Non-controlling interests	非控股權益		(910)	5,040
			(3,310)	12,570
(Loss)/Earnings per share	每股(虧損)/盈利	9	HK cents 港仙	HK cents 港仙
– Basic	– 基本		(0.2)	0.6
– Diluted	– 攤薄		N/A 不適用	0.6

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)
(Loss)/Profit for the period	期內(虧損)/盈利	(3,310)	12,570
Other comprehensive income	其他全面收入		
Item that will not be reclassified subsequently to profit or loss:	隨後不會重新分類至損益之項目：		
Share of revaluation surplus of an associate's hotel property	應佔一間聯營公司酒店物業的重估盈餘	-	3,009
Items that may be reclassified subsequently to profit or loss:	隨後或會重新分類至損益之項目：		
Exchange (loss)/gain on translation of foreign operations of subsidiaries	換算附屬公司的境外業務的匯兌(虧損)/收益	(20,494)	15,858
Share of exchange (loss)/gain on translation of foreign operation of an associate	應佔換算一間聯營公司的境外業務的匯兌(虧損)/收益	(3,227)	2,212
Reclassification of exchange reserve upon disposal and deregistration of subsidiaries	出售及註銷附屬公司時匯兌儲備的重新分類	(30,104)	(8,898)
Other comprehensive income for the period, net of tax	期內其他全面收入(扣減稅項後)	(53,825)	12,181
Total comprehensive income for the period	期內全面收入總額	(57,135)	24,751
Total comprehensive income attributable to:	以下人士應佔全面收入總額：		
Owners of the Company	本公司股東	(51,771)	16,645
Non-controlling interests	非控股權益	(5,364)	8,106
		(57,135)	24,751

Consolidated Statement of Financial Position

綜合財務狀況報表

As at 30 June 2014

於二零一四年六月三十日

			At 30 June 2014 於二零一四年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2013 於二零一三年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Goodwill	商譽		–	29,249
Property, plant and equipment	物業、廠房及設備	10	10,069	47,611
Investment properties	投資物業	10	307,725	318,899
Interests in associates	於聯營公司的權益		–	137,922
Deferred tax assets	遞延稅項資產		169	173
			317,963	533,854
Current assets	流動資產			
Properties held under development	發展中物業		497,125	457,085
Properties held for sale	待售物業		301,804	343,501
Inventories	存貨		25	67
Accounts receivable	應收賬款	11	46	166
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項		50,459	47,543
Tax recoverable	可收回稅款		22,964	22,648
Restricted bank deposits	受限制銀行存款		31,366	36,230
Cash and bank balances	現金及銀行結餘	12	452,571	435,782
			1,356,360	1,343,022
Current liabilities	流動負債			
Accounts payable	應付賬款	13	77,544	112,179
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項		426,791	416,245
Convertible notes	可換股票據		43,371	42,140
Borrowings	借貸	14	12,427	85,173
			560,133	655,737
Net current assets	流動資產淨值		796,227	687,285
Total assets less current liabilities	總資產減流動負債		1,114,190	1,221,139

Consolidated Statement of Financial Position (Cont'd)

綜合財務狀況報表(續)

As at 30 June 2014

於二零一四年六月三十日

		Notes 附註	At 30 June 2014 於二零一四年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2013 於二零一三年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Non-current liabilities	非流動負債			
Borrowings	借貸	14	92,698	96,455
Deferred tax liabilities	遞延稅項負債		48,680	53,747
			141,378	150,202
NET ASSETS	資產淨值		972,812	1,070,937
EQUITY	權益			
Capital and reserves attributable to the owners of the Company	本公司股東應佔股本 及儲備			
Share capital	股本	15	13,479	13,246
Reserves	儲備		913,156	960,079
			926,635	973,325
Non-controlling interests	非控股權益		46,177	97,612
TOTAL EQUITY	權益總額		972,812	1,070,937

Director
董事

Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the six months ended 30 June 2014 (Unaudited)
截至二零一四年六月三十日止六個月(未經審核)

		Attributable to owners of the Company 本公司股東應佔權益											
		Share capital	Share premium	Share option reserves	Convertible notes equity reserves	Merger reserve	Hotel property, plant and equipment revaluation reserve	Exchange reserve	Statutory reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價	購股權儲備	可換股票據權益儲備	合併儲備	酒店物業、廠房及設備重估儲備	匯兌儲備	法定儲備	保留盈利	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
			(Note) (附註)	(Note) (附註)	(Note) (附註)	(Note) (附註)	(Note) (附註)	(Note) (附註)	(Note) (附註)	(Note) (附註)			
Balance at 1 January 2014	於二零一四年一月一日的結餘	13,246	528,150	2,215	480	89,936	24,417	151,905	32,745	130,231	973,325	97,612	1,070,937
Acquisition of non-controlling interests (Note 16)	收購非控股權益(附註16)	-	-	-	-	-	-	-	-	(388)	(388)	(46,071)	(46,459)
Arising from issue of ordinary shares on exercise of share options	因行使購股權發行普通股而產生	233	5,236	-	-	-	-	-	-	-	5,469	-	5,469
Transfer upon exercise of share options	行使購股權時轉撥	-	2,172	(2,172)	-	-	-	-	-	-	-	-	-
Transfer upon cancellation of vested share options (Note 18)	註銷已歸屬購股權時轉撥(附註18)	-	43	(43)	-	-	-	-	-	-	-	-	-
		233	7,451	(2,215)	-	-	-	-	-	(388)	5,081	(46,071)	(40,990)
Loss for the period	期內虧損	-	-	-	-	-	-	-	-	(2,400)	(2,400)	(910)	(3,310)
Other comprehensive income	其他全面收入	-	-	-	-	-	-	-	-	-	-	-	-
Exchange loss on translation of foreign operations of subsidiaries	換算附屬公司的境外業務的匯兌虧損	-	-	-	-	-	-	(16,040)	-	-	(16,040)	(4,454)	(20,494)
Share of exchange loss on translation of foreign operation of an associate	應佔換算一間聯營公司的境外業務的匯兌虧損	-	-	-	-	-	-	(3,227)	-	-	(3,227)	-	(3,227)
Reclassification of exchange reserve upon disposal of subsidiaries	出售附屬公司時匯兌儲備的重新分類	-	-	-	-	-	-	(30,104)	-	-	(30,104)	-	(30,104)
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	-	-	(49,371)	-	(2,400)	(51,771)	(5,364)	(57,135)
Release of hotel property, plant and equipment revaluation reserve upon disposal of subsidiaries	出售附屬公司時釋放的酒店物業、廠房及設備重估儲備	-	-	-	-	-	(22,298)	-	-	22,298	-	-	-
Release of statutory reserve upon disposal of subsidiaries	出售附屬公司時釋放的法定儲備	-	-	-	-	-	-	-	(16,700)	16,700	-	-	-
Balance at 30 June 2014	於二零一四年六月三十日的結餘	13,479	535,601	-	480	89,936	2,119	102,534	16,045	166,441	926,635	46,177	972,812

Note: These reserve accounts comprise the consolidated reserves of HK\$913,156,000 (31 December 2013: HK\$960,079,000) in the consolidated statement of financial position of the Group.

附註：此等儲備款項包含本集團綜合財務狀況報表的綜合儲備913,156,000港元(二零一三年十二月三十一日：960,079,000港元)。

Consolidated Statement of Changes in Equity (Cont'd)

綜合權益變動表(續)

For the six months ended 30 June 2014 (Unaudited)

截至二零一四年六月三十日止六個月(未經審核)

		Attributable to owners of the Company 本公司股東應佔權益												
		Share capital	Share premium	Share option reserves	Convertible notes equity reserves	Merger reserve	Hotel property, plant and equipment revaluation reserve	Exchange reserve	Statutory reserve	Retained profits	Proposed dividend	Total	Non-controlling interests	Total equity
		股本	股份溢價	購股權儲備	可換股票據權益儲備	合併儲備	酒店物業、廠房及設備重估儲備	匯兌儲備	法定儲備	保留盈利	擬派股息	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2013	於二零一三年一月一日的結餘	12,854	488,934	2,871	900	89,936	23,290	131,888	34,143	143,580	2,571	930,967	96,654	1,027,621
2012 Final dividend paid	已付二零一二年末期股息	-	-	-	-	-	-	-	-	(8)	(2,571)	(2,579)	-	(2,579)
Arising from issue of ordinary shares on exercise of share options	因行使購股權發行普通股而產生	56	1,271	-	-	-	-	-	-	-	-	1,327	-	1,327
Return to a non-controlling shareholder upon deregistration of a subsidiary	註銷一間附屬公司後退還非控股股東的款項	-	-	-	-	-	-	-	-	-	-	-	(15,223)	(15,223)
Transfer	轉撥	-	502	(502)	-	-	-	-	-	-	-	-	-	-
		56	1,773	(502)	-	-	-	-	-	(8)	(2,571)	(1,252)	(15,223)	(16,475)
Profit for the period	期內盈利	-	-	-	-	-	-	-	-	7,530	-	7,530	5,040	12,570
Other comprehensive income	其他全面收入	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of revaluation surplus of an associate's hotel property	應佔一間聯營公司酒店物業的重估盈餘	-	-	-	-	-	3,009	-	-	-	-	3,009	-	3,009
Exchange gain on translation of foreign operations of subsidiaries	換算附屬公司的境外業務的匯兌收益	-	-	-	-	-	-	12,792	-	-	-	12,792	3,066	15,858
Share of exchange gain on translation of foreign operation of an associate	應佔換算一間聯營公司的境外業務的匯兌收益	-	-	-	-	-	-	2,212	-	-	-	2,212	-	2,212
Reclassification of exchange reserve upon deregistration of a subsidiary	註銷一間附屬公司時匯兌儲備的重新分類	-	-	-	-	-	-	(8,898)	-	-	-	(8,898)	-	(8,898)
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	-	3,009	6,106	-	7,530	-	16,645	8,106	24,751
Release of statutory reserve upon deregistration of a subsidiary	註銷一間附屬公司時釋放的法定儲備	-	-	-	-	-	-	-	(3,856)	3,856	-	-	-	-
Transfer	轉撥	-	-	-	-	-	-	-	823	(823)	-	-	-	-
Share of an associate's statutory reserve	應佔一間聯營公司法定儲備	-	-	-	-	-	-	-	1,495	(1,495)	-	-	-	-
Balance at 30 June 2013	於二零一三年六月三十日的結餘	12,910	490,707	2,369	900	89,936	26,299	137,994	32,605	152,640	-	946,360	89,537	1,035,897

Consolidated Statement of Cash Flows

綜合現金流量表

For the six months ended 30 June 2014
截至二零一四年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)
	Notes 附註		
Cash flows from operating activities	經營活動的現金流量		
(Loss)/Profit before income tax	除所得稅前(虧損)/盈利	(986)	28,976
Adjustments for:	調整項目：		
Depreciation	折舊	887	1,200
Gain on disposal and deregistration of subsidiaries	出售及註銷附屬公司的收益	(39,166)	(8,898)
Loss on disposal of investment properties	出售投資物業的虧損	-	256
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	141	10
Loss on early repayment of loan from a non-controlling shareholder	提前償還非控股股東貸款的虧損	72	-
Loss on partial repayment of loans from non-controlling shareholders	償還部分非控股股東貸款的虧損	-	6
Fair value adjustments on investment properties	投資物業的公允價值調整	3,700	-
Share of results of associates	應佔聯營公司業績	(7,038)	(11,482)
Impairment loss on amount due from an associate	應收一間聯營公司款項的減值虧損	19	-
Impairment loss on goodwill	商譽減值虧損	16	-
Interest income	利息收入	(3,755)	(2,157)
Interest expenses	利息開支	815	760
Operating (loss)/profit before working capital changes	未計營運資金變動前經營(虧損)/盈利	(45,295)	8,671
(Increase)/Decrease in properties held under development and properties held for sale	發展中物業及待售物業(增加)/減少	(14,122)	19,175
Decrease/(Increase) in inventories	存貨減少/(增加)	42	(2)
Decrease in accounts receivable	應收賬款減少	120	76
Increase in deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項增加	(3,306)	(2,130)
Decrease in amount due from an associate	應收一間聯營公司款項減少	225	-
(Decrease)/Increase in accounts payable, accruals, deposits received and other payables	應付賬款、應計費用、已收按金及其他應付款項(減少)/增加	(22,689)	131,904
Cash (used in)/generated from operations	經營活動(所用)/產生的現金	(85,025)	157,694
Interest paid	已付利息	(1,151)	(1,840)
Income taxes paid	已付所得稅	(3,174)	(14,612)
Net cash (used in)/generated from operating activities	經營活動(所用)/產生的現金淨額	(89,350)	141,242

Consolidated Statement of Cash Flows (Cont'd)

綜合現金流量表(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)
	Notes 附註		
Cash flows from investing activities	投資活動的現金流量		
Purchase of property, plant and equipment	購置物業、廠房及設備	(1,338)	(312)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	35	–
Proceeds from sale of investment properties	出售投資物業所得款項	–	1,975
Net cash inflow on disposal of subsidiaries	出售附屬公司現金流入淨額	182,798	–
Decrease/(Increase) in restricted bank deposits	受限制銀行存款減少/(增加)	4,864	(4,045)
Decrease in short-term time deposits with maturity beyond three months but within one year	於三個月後但一年內到期的短期存款減少	78,000	–
Increase in structured bank deposits	結構性銀行存款增加	(49,967)	–
Interest received	已收利息	3,755	2,157
Net cash generated from/(used in) investing activities	投資活動產生/(所用)的現金淨額	218,147	(225)
Cash flows from financing activities	融資活動的現金流量		
Proceeds from issuance of share capital	發行股本所得款項	5,469	1,327
Purchase of non-controlling interests	購入非控股權益	(46,459)	–
Proceeds from new borrowings	新造借貸所得款項	30,108	73,180
Repayments of borrowings	償還借貸	(76,018)	(106,264)
Return to a non-controlling shareholder upon deregistration of a subsidiary	註銷一間附屬公司後退還非控股股東的款項	–	(15,223)
Interest paid on convertible notes	已付可換股票據利息	(1,190)	(2,232)
Dividends paid to Company's owners	已付本公司股東股息	–	(2,579)
Net cash used in financing activities	融資活動所用的現金淨額	(88,090)	(51,791)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	40,707	89,226
Effect of exchange rate changes on cash and cash equivalents	匯率變動對現金及現金等價物的影響	4,115	793
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	356,505	290,999
Cash and cash equivalents at 30 June	於六月三十日的現金及現金等價物	401,327	381,018

Notes to the Interim Financial Report

中期財務報告附註

For the six months ended 30 June 2014
截至二零一四年六月三十日止六個月

1. GENERAL INFORMATION AND BASIS OF PREPARATION

New Heritage Holdings Ltd. (the “Company”, together with its subsidiaries, the “Group”) is an exempted company with limited liability incorporated in the Cayman Islands. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”).

The address of the Company’s registered office and principal place of business are Clifton House, 75 Fort Street, P.O. Box 1350 GT, George Town, Grand Cayman, Cayman Islands and Suites 1701-1703, 17/F., Dah Sing Financial Centre, 108 Gloucester Road, Wanchai, Hong Kong respectively.

The principal activity of the Company is investment holding and the principal activities of the subsidiaries are mainly property development and investment.

The directors of the Company consider the ultimate holding company to be Go Great International Limited, a company with limited liability incorporated in the British Virgin Islands (“BVI”).

This interim financial report has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

This interim financial report has been prepared in accordance with the same accounting policies adopted in the annual financial statements for the year ended 31 December 2013, except for the adoption of the new standards and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations as disclosed in note 2 to this interim financial report.

This interim financial report is unaudited but has been reviewed by BDO Limited in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA.

This interim financial report does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2013.

1. 一般資料及編製基準

新澤控股有限公司(「本公司」，連同其附屬公司統稱「本集團」)於開曼群島註冊成立為一間獲豁免有限公司。本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司註冊辦事處及主要營業地點分別為Clifton House, 75 Fort Street, P.O. Box 1350 GT, George Town, Grand Cayman, Cayman Islands及香港灣仔告士打道108號大新金融中心17樓1701-1703室。

本公司的主要業務為投資控股，附屬公司的主要業務為物業發展及投資。

本公司的董事認為最終控股公司為Go Great International Limited，一間於英屬維爾京群島(「英屬維爾京群島」)註冊成立的有限公司。

本中期財務報告乃根據聯交所證券上市規則附錄十六的適用披露規定及香港會計師公會(「香港會計師公會」)頒佈的香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。

除本中期財務報告附註2所披露的採納香港財務報告準則(「香港財務報告準則」，此統稱包括所有適用的個別香港財務報告準則、香港會計準則及詮釋)的新準則及修訂本外，本中期財務報告乃根據截至二零一三年十二月三十一日止年度的年度財務報表所採納的相同會計政策編製。

本中期財務報告未經審核，但已由香港立信德豪會計師事務所有限公司根據香港會計師公會頒佈的香港審閱工作準則第2410號「公司獨立核數師對中期財務資料審閱」作出審閱。

本中期財務報告並不包括年度財務報表所規定的所有資料及披露，並應與本集團截至二零一三年十二月三十一日止年度的年度財務報表一併閱讀。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

2. ADOPTION OF HKFRSs

(a) Adoption of amendments to HKFRSs

In the current period, the Group has applied for the first time the following amendments issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2014:

Amendments to HKAS 32	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets

The adoption of these amendments to HKFRSs did not change the Group's accounting policies as followed in the preparation of the Group's annual financial statements for the year ended 31 December 2013.

Amendments to HKAS 32 – Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities

The amendments clarify the offsetting requirements by adding appliance guidance to HKAS 32 which clarifies when an entity “currently has a legally enforceable right to set off” and when a gross settlement mechanism is considered equivalent to net settlement.

Amendments to HKAS 36 – Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets

The amendments limit the requirements to disclose the recoverable amount of an asset or cash generating unit (“CGU”) to those periods in which an impairment loss has been recognised or reversed, and expand the disclosures where the recoverable amount of impaired assets or CGUs has been determined based on fair value less costs of disposal.

2. 採納香港財務報告準則

(a) 採納香港財務報告準則的修訂本

於本期間，本集團首次採納由香港會計師公會頒佈的下列修訂本，該等修訂本有關並適用於本集團於二零一四年一月一日開始的年度期間的財務報表：

香港會計準則第32號的修訂本	金融工具：呈列－抵銷金融資產及金融負債
香港會計準則第36號的修訂本	資產減值－非金融資產的可收回金額披露

採納該等香港財務報告準則的修訂本並無改變本集團於編製本集團截至二零一三年十二月三十一日止年度的年度財務報表時所採用的會計政策。

香港會計準則第32號的修訂本－金融工具：呈列－抵銷金融資產及金融負債

該修訂本通過對香港會計準則第32號加設應用指引釐清有關抵銷的規定，該指引釐清實體「目前擁有法律上可強制執行權利進行抵銷」的時間以及總額結算機制被認為等同淨額結算的時間。

香港會計準則第36號的修訂本－資產減值－非金融資產的可收回金額披露

該修訂本將披露資產或現金產生單位（「現金產生單位」）的可收回金額的規定限於確認或撥回減值虧損的該等期間，並擴大有關根據公允價值減出售成本釐定的已減值資產或現金產生單位的可收回金額的披露。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

2. ADOPTION OF HKFRSs (Cont'd)

- (b) New standards and amendments to HKFRSs that have been issued but are not yet effective

The Group has not applied the following new standards and amendments to HKFRSs that have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation ⁴
Amendments to HKAS 19 (2011)	Defined Benefit Plans: Employee Contributions ¹
Amendments to HKFRS 7, HKFRS 9 and HKAS 39	Hedge Accounting ³
Amendments to HKFRS 11	Accounting for Acquisition of Interests in Joint Operations ⁴
HKFRS 9	Financial Instruments ³
HKFRS 14	Regulatory Deferral Accounts ⁴
HKFRS 15	Revenue from Contract with Customers ⁵
HKFRSs (Amendments)	Annual Improvements 2010-2012 Cycle ²
HKFRSs (Amendments)	Annual Improvements 2011-2013 Cycle ¹

¹ Effective for annual periods beginning on or after 1 July 2014

² Effective for annual periods beginning, or transactions occurring, on or after 1 July 2014

³ No mandatory effective date yet determined but is available for adoption

⁴ Effective for annual periods beginning on or after 1 January 2016

⁵ Effective for annual periods beginning on or after 1 January 2017

HKFRS 9 – Financial Instruments

Under HKFRS 9, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for those non-trade equity investments, which the entity will have a choice to recognise the gains and losses in other comprehensive income. HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

Other than as described above, the directors anticipate that the application of other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

2. 採納香港財務報告準則(續)

- (b) 已頒佈但尚未生效的新準則及修訂本的香港財務報告準則

本集團尚未採納以下已頒佈但尚未生效亦未獲本集團提早採納的新準則及修訂本的香港財務報告準則。

香港會計準則第16號及香港會計準則第38號的修訂本	釐清可接納的折舊及攤銷方法 ⁴
香港會計準則第19號的修訂本(二零一一年)	界定福利計劃：僱員供款 ¹
香港財務報告準則第7號、香港財務報告準則第9號及香港會計準則第39號的修訂本	對沖會計 ³
香港財務報告準則第11號的修訂本	收購共同經營業務權益的會計處理 ⁴
香港財務報告準則第9號	金融工具 ³
香港財務報告準則第14號	監管遞延賬目 ⁴
香港財務報告準則第15號	來自客戶合約的收益 ⁵
香港財務報告準則(修訂本)	二零一零年至二零一二年週期的年度改進 ²
香港財務報告準則(修訂本)	二零一一年至二零一三年週期的年度改進 ¹

¹ 於二零一四年七月一日或以後開始的年度期間生效

² 於二零一四年七月一日或以後開始的年度期間或進行的交易生效

³ 尚未釐定強制生效日期但可供採納

⁴ 於二零一六年一月一日或以後開始的年度期間生效

⁵ 於二零一七年一月一日或以後開始的年度期間生效

香港財務報告準則第9號 – 金融工具

根據香港財務報告準則第9號，金融資產乃視乎實體管理金融資產的業務模式及金融資產的合約現金流量特徵分類為按公允價值或攤銷成本計量的金融資產。公允價值的盈虧將於損益賬中確認，惟就若干非買賣性股本投資而言，實體可選擇於其他全面收入中確認盈虧。香港財務報告準則第9號貫徹香港會計準則第39號的金融負債確認、分類及計量規定，惟按公允價值於損益列賬的金融負債除外，該負債信貸風險變動產生的公允價值變動金額於其他全面收入確認，除非會引致或加劇會計錯配則作別論。此外，香港財務報告準則第9號保留香港會計準則第39號有關終止確認金融資產及金融負債的規定。

除上文所述者外，董事預期應用其他新訂及經修訂準則、修訂本或詮釋將不會對本集團的業績及財務狀況造成重大影響。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

3. SEGMENT INFORMATION

In identifying its operating segments, management generally follows the Group's service lines, which represents the main products and services provided by the Group. The Group has identified the following reportable segments.

Property development : Property development and sale of properties held for sale

Property investment and leasing : Property leasing and sale of investment properties

Each of these operating segments is managed separately as each of the products and service lines requires different resources as well as marketing approaches.

During the six months ended 30 June 2014, there have been no changes from prior periods in the measurement methods used to determine operating segments and reported segment profit or loss.

The revenue and (loss)/profit generated by the Group's operating segments are summarised as follows:

3. 分類資料

管理層一般根據本集團的服務(即本集團所提供的主要產品及服務)以確認其營運分類。本集團已確認以下可呈報分類。

物業發展 : 物業發展及出售待售物業

物業投資及租賃 : 物業租賃及出售投資物業

由於該等產品及服務各自需要不同資源及市場推廣方法，因此，上述各營運分類分開管理。

截至二零一四年六月三十日止六個月，釐定營運分類及呈報分類損益所使用的計量方法與過往年度所使用者相同。

本集團各營運分類錄得的收益及(虧損)/盈利概述如下：

Six months ended 30 June 2014
截至二零一四年六月三十日止六個月

		Property development 物業發展 HK\$'000 千港元 (Unaudited) (未經審核)	Property investment and leasing 物業投資及租賃 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
Reportable segment revenue From external customers	可呈報分類收益 來自外界客戶	37,644	7,027	44,671
Reportable segment loss	可呈報分類虧損	(2,134)	(11,379)	(13,513)
Interest income	利息收入	1,911	853	2,764
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(272)	(401)	(673)
Fair value adjustments on investment properties	投資物業的公允價值調整	–	(3,700)	(3,700)
Finance costs	融資成本	–	(815)	(815)
Reportable segment assets	可呈報分類資產	1,058,558	373,977	1,432,535
Additions to non-current segment assets during the period	期內非流動分類資產添置	–	23	23

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014
截至二零一四年六月三十日止六個月

3. SEGMENT INFORMATION (Cont'd)

3. 分類資料(續)

Six months ended 30 June 2013
截至二零一三年六月三十日止六個月

		Property development 物業發展 HK\$'000 千港元 (Unaudited) (未經審核)	Property investment and leasing 物業投資及租賃 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
Reportable segment revenue From external customers	可呈報分類收益 來自外界客戶	147,328	6,310	153,638
Reportable segment profit/(loss)	可呈報分類盈利/(虧損)	20,107	(544)	19,563
Interest income	利息收入	1,709	432	2,141
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(210)	(656)	(866)
Loss on disposal of investment properties	出售投資物業的虧損	-	(256)	(256)
Finance costs	融資成本	-	(760)	(760)
Reportable segment assets	可呈報分類資產	1,087,531	392,051	1,479,582
Additions to non-current segment assets during the period	期內非流動分類資產添置	121	100	221

The total segment (loss)/profit can be reconciled to the Group's (loss)/profit before income tax as presented in this interim financial report as follows:

如本中期財務報告所呈列，總分類(虧損)/盈利可與本集團除所得稅前(虧損)/盈利對賬如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)
Total segment (loss)/profit	總分類(虧損)/盈利	(13,513)	19,563
Share of results of associates	應佔聯營公司業績	7,038	11,482
Gain on disposal and deregistration of subsidiaries	出售及註銷附屬公司收益	39,166	8,898
Corporate overheads	公司間接開支	(34,667)	(11,188)
Other unallocated income	其他未分配收入	990	221
(Loss)/Profit before income tax	除所得稅前(虧損)/盈利	(986)	28,976

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014
截至二零一四年六月三十日止六個月

3. SEGMENT INFORMATION (Cont'd)

The segment assets of the Group's operating segment at 30 June 2014 and 31 December 2013 are as follows:

3. 分類資料(續)

於二零一四年六月三十日及二零一三年十二月三十一日，本集團營運分類的分類資產如下：

		Property development 物業發展 HK\$'000 千港元	Property investment and leasing 物業投資 及租賃 HK\$'000 千港元	Corporate and other unallocated assets 公司及其他 未分配資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 30 June 2014 (Unaudited)	於二零一四年 六月三十日(未經審核)	1,058,558	373,977	241,788*	1,674,323
At 31 December 2013 (Audited)	於二零一三年 十二月三十一日(經審核)	1,090,503	405,396	380,977*	1,876,876

* As at 30 June 2014, segment assets do not include corporate assets of approximately HK\$241,788,000 as these assets are managed on a group basis.

As at 31 December 2013, segment assets do not include goodwill of approximately HK\$29,249,000, interests in associates of approximately HK\$137,922,000 and corporate assets of approximately HK\$213,806,000 as these assets are managed on a group basis.

No geographical information is presented as the operations, major customers and assets of the Group are substantially located in the People's Republic of China ("PRC").

The Group has a large number of customers and there was no significant revenue derived from specific external customers for the six months ended 30 June 2014 and 2013.

* 於二零一四年六月三十日，分類資產不包括公司資產約241,788,000港元，此乃由於該等資產以集體形式進行管理。

於二零一三年十二月三十一日，分類資產不包括商譽約29,249,000港元、於聯營公司的權益約137,922,000港元及公司資產約213,806,000港元，此乃由於該等資產以集體形式進行管理。

由於本集團的業務、主要客戶及資產大多位於中華人民共和國(「中國」)，故並無呈列地區資料。

本集團擁有大量客戶，截至二零一四年及二零一三年六月三十日止六個月並無來自特定外界客戶的重大收益。

4. REVENUE AND OTHER INCOME

4. 收益及其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue, which also represents the Group's turnover	收益(亦指本集團的營業額)		
Proceeds from sale of properties held for sale	出售待售物業所得款項	37,644	147,328
Rental income	租金收入	7,027	6,310
		44,671	153,638
Other income	其他收入		
Interest income	利息收入	3,755	2,157
Exchange gain, net	匯兌收益淨額	-	434
Others	其他	631	367
		4,386	2,958

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

5. FINANCE COSTS

5. 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest charges on borrowings which are repayable within five years:	須於五年內償還的借貸利息費用：		
Bank loans	銀行貸款	1,151	1,618
Other loan	其他貸款	-	6
Imputed interest expense on loans from non-controlling shareholders	非控股股東貸款的應計利息開支	106	807
		1,257	2,431
Interest charges on borrowings which are repayable after five years:	須於五年後償還的借貸利息費用：		
Bank loans	銀行貸款	-	218
		1,257	2,649
Interest charge on convertible notes	可換股票據的利息費用	2,421	4,543
Total interest expense on financial liabilities not at fair value through profit or loss	並非按公允價值於損益列賬的金融負債利息開支總額	3,678	7,192
Less: Amount capitalised in properties held under development*	減：撥充發展中物業資本化的數額*	(2,863)	(6,432)
		815	760

* The finance costs have been capitalised at a rate of 0.82% (six months ended 30 June 2013: 3.70%) per annum.

The analysis shows the finance costs of bank borrowings, including term loans which contain a repayment on demand clause, in accordance with the agreed scheduled repayment dates set out in the loan agreements. For the six months ended 30 June 2014 and 2013, the interest on bank borrowings which contain a repayment on demand clause amounted to approximately HK\$413,000 and HK\$1,063,000 respectively.

* 融資成本已按年利率0.82%(截至二零一三年六月三十日止六個月：3.70%)資本化。

有關分析列示銀行借貸的融資成本，包括根據貸款協議所載的協定計劃償還日期涵蓋按要求償還條款的定期貸款。截至二零一四年及二零一三年六月三十日止六個月，涵蓋按要求償還條款的銀行借貸的利息分別約為413,000港元及1,063,000港元。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

6. (LOSS)/PROFIT BEFORE INCOME TAX

6. 除所得稅前(虧損)/盈利

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)
(Loss)/Profit before income tax is arrived at after charging/(crediting):	除所得稅前(虧損)/盈利乃經扣除/(計入)下列各項:		
Cost of properties held for sale recognised as expense	確認為開支的待售物業成本	26,692	123,140
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,009	1,393
Less: Amount capitalised in properties held under development	減: 撥充發展中物業資本化的數額	(122)	(193)
		887	1,200
Outgoings in respect of investment properties that generated rental income during the period	有關於期內產生租金收入的投資物業的開支	1,570	1,514
Operating lease charges in respect of land and buildings	有關土地及樓宇的經營租賃費用	121	177
Impairment loss on amount due from an associate	應收一間聯營公司款項減值虧損	19	-
Impairment loss on goodwill*	商譽減值虧損*	16	-
Staff costs, including directors' emoluments and retirement benefits cost#	員工成本(包括董事酬金及退休福利金)#	50,872	17,804
Less: Amount capitalised in properties held under development	減: 撥充發展中物業資本化的數額	(5,100)	(6,233)
		45,772	11,571
Amount recognised as expense for retirement benefits cost	確認為退休福利金開支的數額	1,453	996
Exchange loss/(gain), net	匯兌虧損/(收益)淨額	1,678	(434)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	141	10
Loss on disposal of investment properties	出售投資物業的虧損	-	256
Loss on early repayment of loan from a non-controlling shareholder	提前償還非控股股東貸款的虧損	72	-
Loss on partial repayment of loans from non-controlling shareholders	償還部分非控股股東貸款的虧損	-	6

* For the six months ended 30 June 2014, New Heritage Group Limited, a wholly-owned subsidiary was deregistered on 1 May 2014. The recoverable amount of this company as separate CGU is estimated to be nil, which is lower than its carrying value. Accordingly, impairment loss amounting to approximately HK\$16,000 for the goodwill of this CGU is recognised and included in administrative expenses in the consolidated income statement (six months ended 30 June 2013: Nil).

This amount includes approximately HK\$19,750,000 relating to the compensation, severance payment, bonuses, complimentary payment, discretionary award or payment of similar kinds estimated to be payable by the Group to its employees in Suzhou, the PRC, under a sale and purchase agreement entered into between, among others, the previous substantial shareholders of the Company and China LVGEM Property Holdings Limited ("China LVGEM"), the existing substantial shareholder of the Company, in relation to the sale and purchase of shares in the Company. Such amount has been recognised as expenses, and the Group is in the process of completing the relevant procedures in compliance with applicable rules and regulations.

* 截至二零一四年六月三十日止六個月，全資附屬公司新澤集團有限公司於二零一四年五月一日被註銷。該公司作為個別現金產生單位的可收回金額預計為零，低於其賬面值。因此，已就該現金產生單位的商譽確認減值虧損約16,000港元，並計入綜合收益表的行政開支內(截至二零一三年六月三十日止六個月: 無)。

該金額包括有關賠償、遣散費、花紅、補助費用、酌情獎勵或相類形式之款項估計約19,750,000港元，由本集團應付予中國蘇州僱員，此乃根據(其中包括)本公司前主要股東與本公司目前主要股東中國綠景地產控股有限公司(「中國綠景」)就買賣本公司股份訂立之買賣協議。有關金額已按費用列賬，而本集團正按照適用規則及法規完成相關程序。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

7. INCOME TAX EXPENSE

7. 所得稅開支

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)
		Notes 附註	
Current tax – the PRC	即期稅項 – 中國		
– Corporate income tax	– 企業所得稅	(a)	(555)
– Land appreciation tax ("LAT")	– 土地增值稅(「土地增值稅」)	(b)	3,413
			2,858
Deferred taxation	遞延稅項	(c)	(534)
			13,602
			2,804
Total income tax charge	所得稅費用總額		2,324
			16,406

Notes:

- (a) The PRC corporate income tax is computed according to relevant laws and regulations in the PRC. The applicable income tax rate was 25% for the six months ended 30 June 2014 and 2013.

No Hong Kong profits tax has been provided for as the Group had no estimated assessable profits for the period (six months ended 30 June 2013: Nil).

- (b) Under the Provisional Rules on LAT Implementation Rules of the PRC implemented on 27 January 1995, all gains from the sales or transfer of land use rights, buildings and their attached facilities in the PRC are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land use rights and all property development expenditures.

- (c) Deferred taxation is calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities in this interim financial report and their respective tax bases at the end of the reporting period, using applicable tax rates.

附註：

- (a) 中國企業所得稅乃根據中國相關法律及法規計算。截至二零一四年及二零一三年六月三十日止六個月的適用所得稅稅率為25%。

由於本集團於本期間並無任何估計應課稅盈利(截至二零一三年六月三十日止六個月：無)，故此並無就任何香港利得稅計提撥備。

- (b) 根據於一九九五年一月二十七日實施的中國土地增值稅暫行條例實施細則，所有因銷售或轉讓於中國的土地使用權、樓宇及相關設施而獲得的收益，均須繳納土地增值稅，稅款按土地增值額(即銷售物業所得款項減可扣減支出，包括土地使用權成本及所有物業發展開支)以累進率計算，由30%至60%不等。

- (c) 遞延稅項乃使用負債法就本中期財務報告內的資產與負債賬面值及其各自於報告期末的稅基之間產生的暫時差額，按適用稅率計算得出。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

8. DIVIDENDS

- (a) Dividends attributable to the period
No dividend has been paid or declared by the Company in respect of the current period (six months ended 30 June 2013: Nil).
- (b) Dividends attributable to the previous financial year, approved and paid during the period:

8. 股息

- (a) 期內應佔股息
本公司並無就本期間支付或宣派任何股息(截至二零一三年六月三十日止六個月:無)。
- (b) 期內已批准及支付的過往財政年度應佔股息:

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)
Final dividend for the year ended 31 December 2012 of 0.2 HK cents per ordinary share	截至二零一二年十二月三十一日止年度 末期股息每股普通股0.2港仙	-	2,579

9. (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share is based on the loss attributable to owners of the Company of approximately HK\$2,400,000 (six months ended 30 June 2013: profit of HK\$7,530,000) and on weighted average of 1,330,448,745 (six months ended 30 June 2013: 1,288,844,377) ordinary shares in issue during the period.

No adjustment has been made to the basic loss per share as the convertible notes had an anti-dilutive effect on the basic loss per share for the six months ended 30 June 2014.

The calculation of diluted earnings per share attributable to owners of the Company for the six months ended 30 June 2013 is based on the profit attributable to owners of the Company of approximately HK\$7,530,000 and on weighted average of 1,364,701,580 ordinary shares outstanding during the six months ended 30 June 2013, being the weighted average number of ordinary shares of 1,288,844,377 used in basic earnings per share calculation adjusted for the effect of share options issued of 7,675,385 and the shares issued upon the conversion of convertible notes of 68,181,818.

9. 每股(虧損)/盈利

每股基本(虧損)/盈利乃按本公司股東應佔虧損約2,400,000港元(截至二零一三年六月三十日止六個月:盈利7,530,000港元)及期內已發行普通股的加權平均數1,330,448,745股(截至二零一三年六月三十日止六個月:1,288,844,377股)計算。

由於可換股票據對截至二零一四年六月三十日止六個月的每股基本虧損具有反攤薄影響,故並未對每股基本虧損作出調整。

截至二零一三年六月三十日止六個月的本公司股東應佔每股攤薄盈利按本公司股東應佔盈利約7,530,000港元及截至二零一三年六月三十日止六個月已發行普通股的加權平均數1,364,701,580股計算,即經調整發行7,675,385份購股權及兌換可換股票據而發行68,181,818股股份影響的用於計算每股基本盈利的1,288,844,377股普通股的加權平均數。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014
截至二零一四年六月三十日止六個月

10. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

(a) Capital expenditure

During the six months ended 30 June 2014, the Group incurred capital expenditure of approximately HK\$1,338,000 for property, plant and equipment (six months ended 30 June 2013: HK\$312,000). No capital expenditure was incurred for investment properties for the six months ended 30 June 2014 and 2013.

During the six months ended 30 June 2014, the Group disposed of property, plant and equipment with net carrying amount of approximately HK\$37,640,000 (six months ended 30 June 2013: HK\$10,000) which included HK\$37,464,000 in relation to the disposal of subsidiaries as disclosed in note 17(a).

(b) Valuation

The fair value of the investment properties at 30 June 2014 and 31 December 2013 was based on the valuation by Knight Frank Petty Limited, a firm of independent qualified professional valuers which has appropriate qualifications and recent experiences in the valuation of similar properties in nearby location. Valuations were based on the properties' open market value on 30 June 2014 and 31 December 2013. The properties have been valued by direct comparison method by making reference to comparable sales evidence as available in the relevant market and where appropriate, by capitalising the net rental income derived from the existing tenancies with due allowance for the reversionary potential of the respective properties as at the end of the reporting period.

11. ACCOUNTS RECEIVABLE

Accounts receivable
Less: Provision for impairment

應收賬款
減：減值撥備

46

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166

10. 物業、廠房及設備以及投資物業

(a) 資本開支

截至二零一四年六月三十日止六個月，本集團的物業、廠房及設備資本開支約為1,338,000港元（截至二零一三年六月三十日止六個月：312,000港元）。截至二零一四年及二零一三年六月三十日止六個月，投資物業並無產生資本開支。

截至二零一四年六月三十日止六個月，本集團出售賬面淨值約37,640,000港元的物業、廠房及設備（截至二零一三年六月三十日止六個月：10,000港元），當中包括附註17(a)所披露的有關出售附屬公司的37,464,000港元。

(b) 估值

該等投資物業於二零一四年六月三十日及二零一三年十二月三十一日的公允價值乃依據萊坊測計師行有限公司所進行的估值釐定，萊坊測計師行有限公司為獨立合資格專業估值師及擁有近期於附近類似物業的估值經驗。估值乃根據該等物業於二零一四年六月三十日及二零一三年十二月三十一日的公開市值釐定。該等物業乃經參照相關市場上可資比較的銷售案例以直接比較法進行估值，並於適當時資本化源自現有租約的租金收入淨額及就各有關物業於報告期末的潛在逆轉作充份撥備。

11. 應收賬款

At 30 June 2014 於二零一四年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2013 於二零一三年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
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Accounts receivable
Less: Provision for impairment

應收賬款
減：減值撥備

46

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46

166

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166

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

11. ACCOUNTS RECEIVABLE (Cont'd)

Accounts receivable represents rental income from leasing properties. Monthly rents are normally received in advance and sufficient rental deposits are held to minimise credit risk. Accounts receivable generally have credit terms of 30 to 60 days (31 December 2013: 30 to 60 days) and no interest is charged. All accounts receivable are denominated in Renminbi ("RMB"). The ageing analysis of the Group's accounts receivable, based on invoice dates, is as follows:

		At 30 June 2014	At 31 December 2013
		於二零一四年 六月三十日	於二零一三年 十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Within 30 days	30天以內	46	127
31–60 days	31–60天	–	39
		46	166

The carrying amount of accounts receivable is considered a reasonable approximation of fair value as this financial asset, which is measured at amortised cost, is expected to be paid within a short timescale, such that the time value of money impact is not significant.

Accounts receivable, based on due date, which are past due are analysed as follows:

		At 30 June 2014	At 31 December 2013
		於二零一四年 六月三十日	於二零一三年 十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Fully conformed with credit term	按信貸期全數償還	46	166

The directors consider that these receivables would be recovered and no provision was made as at 30 June 2014 and 31 December 2013.

As at 30 June 2014, accounts receivable of approximately HK\$46,000 (31 December 2013: HK\$166,000) were neither past due nor impaired. These related to a number of customers for whom there was no recent history of default.

11. 應收賬款(續)

應收賬款指租賃物業的租金收入。每月租金通常預先收取，並持有充足的租金按金以減低信貸風險。應收賬款的信貸期一般為30至60天(二零一三年十二月三十一日：30至60天)及不計息。所有應收賬款以人民幣(「人民幣」)計值。本集團應收賬款的賬齡按發票日分析如下：

	At 30 June 2014	At 31 December 2013
	於二零一四年 六月三十日	於二零一三年 十二月三十一日
	HK\$'000	HK\$'000
	千港元	千港元
	(Unaudited)	(Audited)
	(未經審核)	(經審核)
Within 30 days	46	127
31–60 days	–	39
	46	166

應收賬款的賬面值被視為合理接近公允價值，因該項金融資產乃按攤銷成本計算，並預期於短期內支付，因此，並無重大的資金時值影響。

逾期應收賬款按到期日分析如下：

	At 30 June 2014	At 31 December 2013
	於二零一四年 六月三十日	於二零一三年 十二月三十一日
	HK\$'000	HK\$'000
	千港元	千港元
	(Unaudited)	(Audited)
	(未經審核)	(經審核)
Fully conformed with credit term	46	166

董事認為該等應收賬款可予收回，因此於二零一四年六月三十日及二零一三年十二月三十一日並無作出撥備。

於二零一四年六月三十日，金額約為46,000港元(二零一三年十二月三十一日：166,000港元)的應收賬款並未逾期及減值。該等款項乃與近期並無違約記錄的多名客戶有關。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

12. CASH AND BANK BALANCES

Analysis of cash and cash equivalents is as follows:

		At 30 June 2014 於二零一四年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2013 於二零一三年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Cash and bank balances	現金及銀行結餘	452,571	435,782
Less: Short-term time deposits with maturity beyond three months but within one year	減：三個月以上但一年內到期的短期存款	-	78,000
Less: Structured bank deposits with maturity beyond three months but within one year	減：三個月以上但一年內到期的結構性銀行存款	51,244	1,277
Cash and cash equivalents	現金及現金等價物	401,327	356,505

Structured bank deposit with maturity within three months of approximately HK\$37,500,000 (31 December 2013: Nil) included in the cash and cash equivalents.

The structured bank deposits are principal-protected yield enhancement bank deposits carrying minimum interest rates of 0.1% to 0.4% (31 December 2013: 0.1%) per annum and can be enhanced to maximum interest rates of 4.25% to 7.1% (31 December 2013: 7.1%) per annum which are to be determined by reference to the market interest rates, market exchange rate of United States dollars ("USD")/RMB or market exchange rate of Australian dollars ("AUD")/USD. The structured bank deposits contain embedded derivative representing a return which would vary with prevailing market interest rate, prevailing market exchange rate of USD/RMB and AUD/USD. The directors of the Company consider that the fair value of the embedded derivatives is minimal and hence no derivative financial instruments are recognised.

12. 現金及銀行結餘

現金及現金等價物分析如下：

現金及現金等價物已包括於三個月內到期的結構性銀行存款約37,500,000港元(二零一三年十二月三十一日：無)。

結構性銀行存款乃為保本收益增長銀行存款，最低年利率為0.1%至0.4%(二零一三年十二月三十一日：0.1%)，且可增加至最高年利率4.25%至7.1%(二零一三年十二月三十一日：7.1%)，乃參考市場利率、美元(「美元」)兌人民幣之市場匯率或澳元(「澳元」)兌美元之市場匯率而釐定。結構性銀行存款包含嵌入式衍生工具，其回報將隨著當時市場利率、美元兌人民幣及澳元兌美元之當時市場匯率而變動。本公司董事認為，嵌入式衍生工具之公允價值極低，故並無確認衍生財務工具。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

13. ACCOUNTS PAYABLE

Based on invoice dates, the ageing analysis of the Group's accounts payable is as follows:

			At 30 June 2014	At 31 December 2013
			於二零一四年 六月三十日	於二零一三年 十二月三十一日
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
Within 30 days	30天以內		12	8
31-60 days	31-60天		31	12
61-90 days	61-90天		1	-
91-365 days	91-365天		16	-
Over 365 days	365天以上		862	1,420
Rent received on behalf of landlords	代業主收取的租金	(a)	922	1,440
Accrued construction cost and other project-related expenses	應計建築成本及其他項目相關開支	(b)	76,622	110,739
			77,544	112,179

All amounts are short term and hence the carrying values of the Group's accounts payable are considered to be a reasonable approximation to their fair values.

Notes:

- (a) Rent received on behalf of landlords comprised net rental received from tenants after netting off fee charged to them provided by external service providers.
- (b) Included in the above amounts are construction cost and other project-related expenses payable amounted to approximately HK\$76,622,000 as at 30 June 2014 (31 December 2013: HK\$110,739,000) which were accrued based on the terms of the relevant agreements and the progress of the projects, and were not due for payment as at 30 June 2014.

13. 應付賬款

本集團應付賬款的賬齡按發票日分析如下：

			At 30 June 2014	At 31 December 2013
			於二零一四年 六月三十日	於二零一三年 十二月三十一日
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
Within 30 days	30天以內		12	8
31-60 days	31-60天		31	12
61-90 days	61-90天		1	-
91-365 days	91-365天		16	-
Over 365 days	365天以上		862	1,420
Rent received on behalf of landlords	代業主收取的租金	(a)	922	1,440
Accrued construction cost and other project-related expenses	應計建築成本及其他項目相關開支	(b)	76,622	110,739
			77,544	112,179

所有款項屬短期款項，故本集團應付賬款的賬面值被視作為與公允價值合理相若。

附註：

- (a) 代業主收取的租金包括向租戶收取的租金扣除外界服務供應商所收取費用後的所得淨額。
- (b) 上述金額包括於二零一四年六月三十日的應付建築成本及其他項目相關開支約76,622,000港元(二零一三年十二月三十一日：110,739,000港元)，該金額乃根據相關協議條款及項目進度累計，且於二零一四年六月三十日尚未到期支付。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

14. BORROWINGS

14. 借貸

		At 30 June 2014 於二零一四年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2013 於二零一三年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Current liabilities	流動負債		
Portion of term loans from banks due for repayment within one year	須於一年內到期償還的定期銀行貸款部分	12,427	32,426
Portion of term loans from banks due for repayment after one year which contain a repayment on demand clause	須於一年後到期償還的包含按要索償還條款的定期銀行貸款部分	-	26,465
Loans from non-controlling shareholders	非控股股東貸款	-	26,282
		12,427	85,173
Non-current liabilities	非流動負債		
Bank loans	銀行貸款	17,875	21,632
Loans from non-controlling shareholders	非控股股東貸款	74,823	74,823
		92,698	96,455
		105,125	181,628

The interest-bearing bank borrowings, including the term loans repayable on demand, are carried at amortised cost. None of the portion of term loans due for repayment after one year, which contains a repayment on demand clause and is classified as a current liability, is expected to be settled within one year.

計息銀行借貸(包括須按要索償還的定期貸款)乃按攤銷成本列賬。須於一年後到期償還的包含按要索償還條款且分類為流動負債的定期貸款部分預期毋須於一年內清償。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014
截至二零一四年六月三十日止六個月

14. BORROWINGS (Cont'd)

Borrowings were repayable as follows:

14. 借貸(續)

須償還借貸如下：

			At 30 June 2014 於二零一四年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2013 於二零一三年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within one year	一年內			
Term loans, unsecured	定期貸款，無抵押	(c)	5,927	14,854
Term loans, secured	定期貸款，有抵押	(a), (c)	6,500	17,572
Loans from non-controlling shareholders, unsecured	非控股股東貸款，無抵押	(b)	-	26,282
In the second year	第二年內			
Term loans, unsecured	定期貸款，無抵押	(c)	-	8,713
Term loans, secured	定期貸款，有抵押	(a), (c)	6,500	14,646
In the third to fifth year	三至五年			
Term loans, secured	定期貸款，有抵押	(a), (c)	11,375	24,738
Loans from non-controlling shareholders, unsecured	非控股股東貸款，無抵押	(b)	74,823	74,823
			105,125	181,628

Notes:

- (a) Bank loans were secured by pledges of certain investment properties with net carrying amounts of HK\$161,500,000 (31 December 2013: HK\$167,680,000).

As at 31 December 2013, certain leasehold land and buildings with net carrying amounts of approximately HK\$37,483,000 were also pledged as collateral. The related bank loan has been fully repaid during the six months ended 30 June 2014 and the pledged leasehold land and buildings have been released.

附註：

- (a) 銀行貸款以若干賬面淨值約為161,500,000港元(二零一三年十二月三十一日：167,680,000港元)的投資物業作為抵押。

於二零一三年十二月三十一日，本集團賬面淨值約為37,483,000港元的若干租賃土地及樓宇亦被抵押作為抵押品。於截至二零一四年六月三十日止六個月，相關銀行貸款已悉數償還且有抵押租賃土地及樓宇已解除。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

14. BORROWINGS (Cont'd)

Notes: (Cont'd)

- (b) Loans from non-controlling shareholders are unsecured and interest-free. The loans were initially recognised at fair value and subsequently stated at amortised cost which was estimated by discounting the nominal value of the loans at effective interest rate.

During the six months ended 30 June 2014, the loan from a non-controlling shareholder with carrying value of approximately HK\$26,460,000 was fully settled (Note 16) and a loss on early repayment of loan of approximately HK\$72,000 has been recognised in profit or loss (Note 6).

During the year ended 31 December 2013, the Group made partial repayment to non-controlling shareholders, resulting a loss on partial repayment of loans of approximately HK\$14,000 recognised in profit or loss, and renegotiated the terms of certain loans with non-controlling shareholders. The directors considered that such early repayment and renegotiation of terms represented a modification of the original loans and accordingly, the effective interest rates were adjusted at the date of modification.

During the six months ended 30 June 2014, the effective interest rates of the loans were in the range of 2.08% to 4.55% (year ended 31 December 2013: 2.08% to 4.55%) per annum.

- (c) The amounts due are based on the scheduled repayment dates set out in the loan agreements and ignore the effect of any repayment on demand clause. These borrowings bore floating interest rates.

The carrying amounts of the borrowings are denominated in the following currencies and have the following effective interest rates at the end of the reporting period:

		At 30 June 2014 於二零一四年六月三十日		At 31 December 2013 於二零一三年十二月三十一日	
		HK\$'000 千港元 (Unaudited) (未經審核)	Effective interest rate per annum 實際年利率 (Unaudited) (未經審核)	HK\$'000 千港元 (Audited) (經審核)	Effective interest rate per annum 實際年利率 (Audited) (經審核)
Hong Kong dollars	港元	5,927	1.96% – 2.83%	59,850	1.97% – 4.55%
United States dollars	美元	74,823	Nil無	93,490	2.42% – 2.45%
Renminbi	人民幣	24,375	6.22%	28,288	6.22%
		105,125		181,628	

The Group regularly monitors its compliance with the covenants of the banking facilities, is up to date with the scheduled repayments of the term loans and does not consider it probable that the banks will exercise their discretion to demand repayment for so long as the Group continues to meet these requirements.

14. 借貸(續)

附註：(續)

- (b) 非控股股東貸款為無抵押及免息。該批貸款首先按公允價值確認，其後按攤銷成本列賬，攤銷成本乃以實際利率折現該批貸款的面值估計得出。

截至二零一四年六月三十日止六個月，賬面值約為26,460,000港元的非控股股東貸款已悉數償還(附註16)，而提早償還貸款所產生的虧損約72,000港元已於損益賬中確認(附註6)。

截至二零一三年十二月三十一日止年度，本集團向非控股股東償還了部分款項，導致於損益賬中確認償還部分貸款的虧損約14,000港元，並已與非控股股東重新磋商若干貸款的條款。董事認為有關提早償還及重新磋商已改變原有貸款，故實際利率於改變之日已予調整。

截至二零一四年六月三十日止六個月，貸款實際年利率介乎每年2.08%至4.55%(截至二零一三年十二月三十一日止年度：2.08%至4.55%)之間。

- (c) 結欠款項乃按貸款協議所載的預定還款日期為基準，並無計及任何按要求償還條款的影響。該等借貸按浮動利率計息。

借貸賬面值乃以下列貨幣為計值單位，於報告期末的實際利率如下：

本集團定期監察直至定期貸款預定還款日期銀行融資契約的遵守情況，並認為只要本集團繼續遵守該等規定，銀行不大可能行使其酌情權要求還款。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

15. SHARE CAPITAL

15. 股本

	Notes 附註	At 30 June 2014 於二零一四年六月三十日		At 31 December 2013 於二零一三年十二月三十一日	
		Number of shares (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)	Number of shares (Audited) (經審核)	HK\$'000 千港元 (Audited) (經審核)
Authorised: Ordinary shares of HK\$0.01 each	法定： 每股面值0.01港元的 普通股	30,000,000,000	300,000	30,000,000,000	300,000
Issued and fully paid: Ordinary shares of HK\$0.01 each	已發行及繳足： 每股面值0.01港元的 普通股				
At 1 January	於一月一日	1,324,606,646	13,246	1,285,398,465	12,854
Arising from issue of ordinary shares on exercise of share options	因行使購股權 發行普通股 而產生 (a)	23,270,000	233	7,390,000	74
Arising from issue of ordinary shares on compulsory conversion of convertible notes	因強制兌換可換 股票據發行普通股 而產生 (b)	-	-	31,818,181	318
At 30 June/ 31 December	於六月三十日/ 十二月三十一日	1,347,876,646	13,479	1,324,606,646	13,246

Notes:

(a) During the six months ended 30 June 2014, the Company issued 23,270,000 ordinary shares of HK\$0.01 each in relation to the exercise of the share options by certain directors and employees of the Group at the subscription price of HK\$0.235 per ordinary share. The difference between the subscription price and par value amounting to approximately HK\$5,236,000 was credited to share premium. In addition, the portion of share option reserves in relation to the exercise of the share options during the six months ended 30 June 2014 amounted to approximately HK\$2,172,000 was transferred to the Company's share premium.

For the year ended 31 December 2013, the Company issued 7,390,000 ordinary shares of HK\$0.01 each in relation to the exercise of the share options by certain employees of the Group at the subscription price of HK\$0.235 per ordinary share. The difference between the subscription price and par value amounting to approximately HK\$1,663,000 was credited to share premium. In addition, the portion of share option reserves in relation to the exercise of the share options during the year of 2013 amounted to approximately HK\$656,000 was transferred to the Company's share premium.

(b) As detailed in the announcement dated 20 December 2013, principal amount of HK\$35,000,000 (HK\$25,000,000 for Asia Financial Holdings Limited ("AFHL") and HK\$10,000,000 for Asia Insurance Company, Limited ("AICL")) of the 2011 convertible notes were compulsorily converted into shares of the Company according to the compulsory conversion clause. An aggregate number of 31,818,181 new ordinary shares of par value of HK\$0.01 each were issued at a conversion price of HK\$1.10. The conversion gave rise to a credit to share capital of approximately HK\$318,000 and the remaining balance of approximately HK\$36,477,000 was credited to the share premium account.

附註：

(a) 截至二零一四年六月三十日止六個月，本公司就本集團若干董事及僱員按認購價每股普通股0.235港元行使購股權而發行23,270,000股每股面值0.01港元的普通股。認購價與面值的差額約5,236,000港元已計入股份溢價。此外，於截至二零一四年六月三十日止六個月行使的購股權的購股權儲備部分約2,172,000港元已轉撥至本公司的股份溢價。

截至二零一三年十二月三十一日止年度，本公司就本集團若干僱員按認購價每股普通股0.235港元行使購股權而發行7,390,000股每股面值0.01港元的普通股。認購價與面值的差額約1,663,000港元已計入股份溢價。此外，於二零一三年度行使的購股權的購股權儲備部分約656,000港元已轉撥至本公司的股份溢價。

(b) 誠如日期為二零一三年十二月二十日的公告所詳列，根據強制兌換條約，本金額為35,000,000港元(亞洲金融集團(控股)有限公司(「亞洲金融」)為25,000,000港元，而亞洲保險有限公司(「亞洲保險」)為10,000,000港元)的二零一一年可換股票據已被強制兌換為本公司股份。已按轉換價1.10港元發行合共31,818,181股每股面值0.01港元的新普通股。該兌換產生一項股本計入約為318,000港元，而剩下結餘約36,477,000港元計入股份溢價內。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

16. ACQUISITION OF NON-CONTROLLING INTERESTS

On 21 January 2014, China LVGEM as purchaser and Belbroughton Limited, Mr. TAOCHAIFU Choofuang (also known as Mr. C.F. TAO), Mr. TAO Richard, Mr. TAO Paul and Tian Xiang Business Limited (together, the "Vendors") had entered into a conditional sale and purchase agreement for the disposal of an aggregate of 858,800,792 shares in the Company ("Shares") of HK\$0.01 each (the "Disposal Shares") in the share capital of the Company by the Vendors to China LVGEM (the "Share Disposal"). The Disposal Shares represented approximately 64.83% of the then issued share capital of the Company. The Share Disposal was completed on 8 May 2014 and China LVGEM became the controlling shareholder of the Company. The Share Disposal triggered an obligation on the part of China LVGEM to make mandatory unconditional general offers for the then issued Shares and other outstanding securities of the Company under Rule 26 of The Hong Kong Code on Takeovers and Mergers (other than those already owned by or acquired by China LVGEM and parties acting in concert with it) (the "Offers"). The Offers were closed on 5 June 2014.

On 28 February 2014, the Group had entered into three conditional sale and purchase agreements, the NHDL Acquisition Agreement (as disclosed below), the Accordcity Disposal Agreement and the NHML Disposal Agreement (Note 17(a)).

On 28 February 2014, the Group as purchaser entered into a conditional sale and purchase agreement (the "NHDL Acquisition Agreement") with Onsite Investment Limited ("Onsite Investment") as vendor to acquire 9.615% equity interest in a non wholly-owned subsidiary, New Heritage Development Limited ("NHDL"), and the shareholder's loan due and owing by NHDL to Onsite Investment (the "NHDL Loan") as at the date of the NHDL Acquisition Agreement, at a consideration of HK\$72,919,000 in aggregate (apportioned as to HK\$46,459,000 for the sale shares and as to HK\$26,460,000 for the shareholder's loan). NHDL is engaged in investment holding. The acquisition was completed on 8 May 2014. Following the acquisition, NHDL became a wholly-owned subsidiary of the Company.

Onsite Investment is a company incorporated in the BVI with limited liability and controlled by AFHL which is controlled by the associates of Mr. CHAN Bernard Charnwut, the non-executive director of the Company when the NHDL Acquisition Agreement was entered into. Therefore, the acquisition constitutes a non-exempt connected transaction.

16. 收購非控股權益

於二零一四年一月二十一日，作為買方之中國綠景與 Belbroughton Limited、陶哲甫先生(別名C.F. TAO)、陶家祈先生、陶錫祺先生及天祥事務有限公司(統稱「賣方」)就賣方向中國綠景出售(「股份出售」)本公司股本中合共858,800,792股(「出售股份」)每股面值0.01港元之本公司股份(「股份」)訂立有條件買賣協議。出售股份相當於本公司當時已發行股本約64.83%。股份出售於二零一四年五月八日完成，而中國綠景成為本公司控股股東。股份出售觸發中國綠景根據香港公司收購及合併守則規則26就所有當時已發行股份及本公司其他未行使證券(中國綠景及與其一致行動之人士已擁有或同意收購者除外)提出強制性無條件全面收購要約(「收購要約」)之責任。該收購要約於二零一四年六月五日截止。

於二零一四年二月二十八日，本公司訂立三項有條件買賣協議，即新繼發展收購協議(如下文所披露)、Accordcity出售協議及新澤管理出售協議(附註17(a))。

於二零一四年二月二十八日，本集團(作為買方)與 Onsite Investment Limited(「Onsite Investment」)(作為賣方)訂立有條件買賣協議(「新繼發展收購協議」)，以收購於非全資附屬公司新繼發展有限公司(「新繼發展」)的9.615%股權及於新繼發展收購協議日期新繼發展結欠Onsite Investment的股東貸款(「新繼發展貸款」)，代價合共72,919,000港元(攤分銷售股份代價為46,459,000港元及股東貸款代價為26,460,000港元)。新繼發展從事投資控股。收購於二零一四年五月八日完成。於收購後，新繼發展成為本公司全資附屬公司。

Onsite Investment為於英屬維爾京群島註冊成立的有限公司，由新繼發展收購協議訂立時本公司非執行董事陳智思先生之聯繫人控制的亞洲金融所控制。因此，收購構成不獲豁免關連交易。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

16. ACQUISITION OF NON-CONTROLLING INTERESTS (Cont'd)

The transaction has been accounted for as equity transaction with the non-controlling interests and the increase in equity attributable to owners of the Company, as included in retained profits, was as follows:

		Six months ended 30 June 2014 截至二零一四年 六月三十日 止六個月 HK\$'000 千港元 (Unaudited) (未經審核)
Consideration paid for 9.615% ownership interest in NHDL	就9.615%新繼發展擁有權已付之代價	46,459
Net assets of NHDL attributable to 9.615% ownership interest	9.615%擁有權應佔新繼發展資產淨值	(46,071)
		388
Consideration paid for NHDL Loan	就新繼發展貸款已付之代價	26,460
Carrying value of the NHDL Loan (Note 14(b))	新繼發展貸款賬面值(附註14(b))	(26,460)
		-

17. GAIN ON DISPOSAL AND DEREGISTRATION OF SUBSIDIARIES

(a) Gain on disposal of subsidiaries

On 28 February 2014, the Group as vendor entered into a conditional sale and purchase agreement (the "Accordcity Disposal Agreement") with Highmind Limited as purchaser to dispose of the entire equity interests in a wholly-owned subsidiary, Accordcity Limited ("Accordcity"), and the shareholder's loan due and owing by Accordcity to the Group (the "Accordcity Loan") at completion of the Accordcity Disposal Agreement, which was estimated to be HK\$76,100,000, at a consideration of HK\$170,252,000 in aggregate (apportioned as to HK\$94,152,000 for the sale shares and as to HK\$76,100,000 for the shareholder's loan), subject to a dollar-to-dollar adjustment to the consideration for the shareholder's loan such that the consideration for the shareholder's loan shall be equal to the face value of the actual shareholder's loan at the completion date. Accordcity was engaged in investment holding. The disposal was completed on 8 May 2014.

On 28 February 2014, the Group as vendor entered into a conditional sale and purchase agreement (the "NHML Disposal Agreement") with Gavett Limited as purchaser to dispose of the entire equity interests in a wholly-owned subsidiary, New Heritage Management Limited ("NHML"), and the shareholder's loan due and owing by NHML to the Group (the "NHML Loan") at completion of the NHML Disposal Agreement, which was estimated to be HK\$9,000,000, at a consideration of HK\$23,210,000 in aggregate (apportioned as to HK\$14,210,000 for the sale shares and as to HK\$9,000,000 for the shareholder's loan), subject to a dollar-to-dollar adjustment to the consideration for the shareholder's loan such that the consideration for the shareholder's loan shall be equal to the face value of the actual shareholder's loan at the completion date. NHML was engaged as administrative vehicle of the Group. The disposal was completed on 8 May 2014.

16. 收購非控股權益(續)

有關交易已作為非控股權益的股權交易入賬，而本公司股東應佔權益增加計入保留盈利如下：

17. 出售及註銷附屬公司的收益

(a) 出售附屬公司的收益

於二零一四年二月二十八日，本集團(作為賣方)與Highmind Limited(作為買方)訂立有條件買賣協議(「Accordcity出售協議」)，以出售全資附屬公司Accordcity Limited(「Accordcity」)全部股權及於Accordcity出售協議完成後Accordcity結欠本集團股東貸款(「Accordcity貸款」)，該貸款預期為76,100,000港元，代價合共170,252,000港元(攤分銷售股份代價為94,152,000港元及股東貸款代價為76,100,000港元)，惟股東貸款代價須進行等額調整，股東貸款代價須相等於在完成日期實際股東貸款之賬面值。Accordcity從事投資控股。出售已於二零一四年五月八日完成。

於二零一四年二月二十八日，本集團(作為賣方)與Gavett Limited(作為買方)訂立有條件買賣協議(「新澤管理出售協議」)，以出售全資附屬公司新澤管理有限公司(「新澤管理」)全部股權及於新澤管理出售協議完成後新澤管理結欠本集團股東貸款(「新澤管理貸款」)，該貸款預期為9,000,000港元，代價合共23,210,000港元(攤分銷售股份代價為14,210,000港元及股東貸款代價為9,000,000港元)，惟股東貸款代價須進行等額調整，股東貸款代價須相等於在完成日期實際股東貸款之賬面值。新澤管理為本集團處理行政工作。出售已於二零一四年五月八日完成。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

17. GAIN ON DISPOSAL AND DEREGISTRATION OF SUBSIDIARIES

(Cont'd)

(a) Gain on disposal of subsidiaries (Cont'd)

Highmind Limited and Gavett Limited are companies incorporated in the BVI with limited liability. These companies are wholly and beneficially owned by Mr. C.F. TAO, Mr. TAO Richard and Mr. TAO Paul, who were directors of the Group when the sale and purchase agreements were entered into. Therefore, the disposals constitute connected transactions.

Net assets of the above subsidiaries at the date of disposal were as follows:

17. 出售及註銷附屬公司的收益(續)

(a) 出售附屬公司的收益(續)

Highmind Limited與Gavett Limited為於英屬維爾京群島註冊成立的有限公司。於訂立買賣協議時，該等公司由本集團董事陶哲甫先生、陶家祈先生及陶錫祺先生全資實益擁有。因此，出售構成關連交易。

於出售日期，上述附屬公司的資產淨值如下：

		Six months ended 30 June 2014 截至二零一四年 六月三十日 止六個月 HK\$'000 千港元 (Unaudited) (未經審核)
Net assets disposed of:	已出售資產淨值：	
Goodwill	商譽	29,233
Property, plant and equipment	物業、廠房及設備	37,464
Interest in an associate	於一間聯營公司的權益	141,489
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	390
Cash and bank balances	現金及銀行結餘	10,664
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	(1,400)
Shareholder's loans	股東貸款	(85,100)
Borrowings	借貸	(30,108)
Deferred tax liabilities	遞延稅項負債	(3,332)
		99,300
Exchange reserve released on disposal	出售後解除之匯兌儲備	(30,104)
Shareholder's loan due from Accordcity assigned	轉讓應收Accordcity股東貸款	76,100
Shareholder's loan due from NHML assigned	轉讓應收新澤管理股東貸款	9,000
Gain on disposal of subsidiaries included as "Gain on disposal and deregistration of subsidiaries" in the consolidated income statement	出售附屬公司收益 計入綜合收益表為 「出售及註銷附屬公司的收益」	39,166
Total consideration	代價總額	193,462
Satisfied by		
Cash	以現金支付	193,462

An analysis of the net cash inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

有關出售附屬公司的現金及現金等價物現金流入淨額分析如下：

		Six months ended 30 June 2014 截至二零一四年 六月三十日 止六個月 HK\$'000 千港元 (Unaudited) (未經審核)
Total cash consideration received	已收現金代價總額	193,462
Cash and bank balances disposed of	已出售現金及銀行結餘	(10,664)
Net cash inflow on disposal	出售的現金流入淨額	182,798

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

17. GAIN ON DISPOSAL AND DEREGISTRATION OF SUBSIDIARIES

(Cont'd)

(b) Gain on deregistration of a subsidiary

On 28 January 2013, the Group deregistered a non wholly-owned subsidiary, namely Suzhou New Heritage Wuzhong Limited, which was engaged in properties development.

Net liabilities of the deregistered subsidiary at the date of deregistration were as follows:

17. 出售及註銷附屬公司的收益(續)

(b) 註銷一間附屬公司的收益

於二零一三年一月二十八日，本集團註銷一間從事物業發展名為蘇州新澤地產有限公司的非全資擁有附屬公司。

於註銷日期已註銷附屬公司的負債淨額載列如下：

		Six months ended 30 June 2013 截至二零一三年 六月三十日 止六個月 HK\$'000 千港元 (Unaudited) (未經審核)
Net liabilities disposed of:	已出售負債淨額：	
Amount due to a group company	應付一間集團公司款項	(6,111)
Waiver of amount due to a group company	豁免應付一間集團公司的款項	6,111
Reclassification of exchange reserve	匯兌儲備重新分類	(8,898)
Gain on deregistration of a subsidiary included as "Gain on disposal and deregistration of subsidiaries" in the consolidated income statement	註銷附屬公司的收益 計入綜合收益表為 「出售及註銷附屬公司的收益」	8,898
		-
Net cash outflow arising on deregistration	註銷產生的現金流出淨額	-
Cash at bank disposed of	已出售的銀行存款	-

18. CANCELLATION OF SHARE OPTIONS UPON ACCEPTANCE OF SHARE OPTION OFFER

In May 2014, China LVGEM, a company with limited liability incorporated in the Cayman Islands and now a substantial shareholder of the Company, made conditional cash offers (the "Cash Offers") to cancel all the outstanding share options (the "Option Offer") of the Company at the offer price of HK\$0.865 per option. As a result of the Cash Offers, 480,000 options held by those optionholders who have accepted the Option Offer were cancelled. The carrying amount of these cancelled options was HK\$43,000 which was released from share option reserves to share premium.

18. 於接納購股權收購要約後註銷購股權

於二零一四年五月，於開曼群島註冊成立及現為本公司主要股東的中國綠景按收購價每份購股權0.865港元作出有條件現金收購要約(「現金收購要約」)，以註銷全部尚未行使的購股權(「購股權收購要約」)。由於現金收購要約，由該等已接納購股權收購要約的購股權持有人持有的480,000份購股權已被註銷。該等已註銷購股權的賬面值為43,000港元已由購股權儲備轉撥至股份溢價。

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中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

19. RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

Save as those disclosed elsewhere in the interim financial report, the Group had the following transactions with related parties:

	Notes 附註	2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)
Rental expenses to Fontwell Holdings Limited ("Fontwell")	支付予Fontwell Holdings Limited (「Fontwell」)的租金開支 (i)	(54)	(57)
Rental income from Clark Hatch Fitness Centers (Shanghai) Ltd. ("Clark Hatch")	向上海克拉克海奇健身有限公司 (「克拉克海奇」)收取租金收入 (ii)	263	318
Membership fee to Clark Hatch	支付予克拉克海奇的會籍費 (ii)	-	(76)
Interest paid to Chong Lai (Panama) S.A. ("Chong Lai")	支付予Chong Lai (Panama) S.A. (「Chong Lai」)的利息 (iii)	-	(6)

Notes:

- (i) Mr. C.F. TAO, Mr. TAO Richard and Mr. TAO Paul, who resigned as the Company's directors on 5 June 2014, have beneficial interests in Fontwell. The charge by Fontwell was in accordance with the terms of the underlying agreement.
- (ii) Mr. TAO Richard and Mr. TAO Paul, who resigned as the Company's directors on 5 June 2014, are directors of Clark Hatch and Mr. TAO Paul has beneficial interests in Clark Hatch. The charge to Clark Hatch was in accordance with the terms of the underlying agreement. The membership fee was charged at terms mutually agreed by both parties.
- (iii) Mr. C.F. TAO, Mr. TAO Richard and Mr. TAO Paul, who resigned as the Company's directors on 5 June 2014, have beneficial interests in Chong Lai. The charge by Chong Lai was in accordance with the terms of the underlying agreement.

(b) Balances with related parties

As at 30 June 2014 and 31 December 2013, the Group did not have outstanding balances with related parties.

(c) Key management personnel compensation

The directors are of the opinion that the key management personnel were solely the directors of the Company. Remuneration paid to the Company's directors is as follows:

	2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)	
Salaries, allowances and other benefit in kind	薪金、津貼及其他實物利益	4,029	5,752
Compensation for loss of office as directors	董事離職補償	11,083	-
Discretionary bonuses	酌情花紅	1,500	-
Contribution to retirement benefit scheme	退休福利計劃供款	500	226
	17,112	5,978	

19. 關連人士交易

(a) 與關連人士進行的交易

除於中期財務報告其他部分所披露者外，本集團與關連人士進行的交易如下：

Six months ended 30 June
截至六月三十日止六個月

	2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)
Rental expenses to Fontwell Holdings Limited ("Fontwell")	(54)	(57)
Rental income from Clark Hatch Fitness Centers (Shanghai) Ltd. ("Clark Hatch")	263	318
Membership fee to Clark Hatch	-	(76)
Interest paid to Chong Lai (Panama) S.A. ("Chong Lai")	-	(6)

附註：

- (i) 陶哲甫先生、陶家祈先生及陶錫祺先生(均於二零一四年六月五日辭任本公司董事)於Fontwell中擁有實益權益。Fontwell乃根據相關協議的條款收取費用。
- (ii) 陶家祈先生及陶錫祺先生(均於二零一四年六月五日辭任本公司董事)為克拉克海奇的董事，而陶錫祺先生於克拉克海奇中擁有實益權益。向克拉克海奇收取的費用乃根據相關協議的條款收取。會籍費乃按訂約雙方共同協定的條款收取。
- (iii) 陶哲甫先生、陶家祈先生及陶錫祺先生(均於二零一四年六月五日辭任本公司董事)於Chong Lai中擁有實益權益。Chong Lai乃根據相關協議的條款收取費用。

(b) 與關連人士的往來結餘

於二零一四年六月三十日及二零一三年十二月三十一日，本集團並無與關連人士的未償還往來結餘。

(c) 主要管理人員薪酬

董事認為，主要管理人員僅包括本公司董事。已付本公司董事的薪酬如下：

Six months ended 30 June
截至六月三十日止六個月

	2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (未經審核)	
Salaries, allowances and other benefit in kind	薪金、津貼及其他實物利益	4,029	5,752
Compensation for loss of office as directors	董事離職補償	11,083	-
Discretionary bonuses	酌情花紅	1,500	-
Contribution to retirement benefit scheme	退休福利計劃供款	500	226
	17,112	5,978	

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

20. COMMITMENTS AND OPERATING LEASE ARRANGEMENTS

(a) Capital commitments

Capital commitments in respect of properties held under development for the Group are as follows:

		At 30 June 2014	At 31 December 2013
		於二零一四年 六月三十日	於二零一三年 十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Contracted but not provided for	已簽約但未撥備	30,977	64,128

(b) Operating lease arrangements

(i) The Group had future aggregate minimum lease receipts under non-cancellable operating leases in respect of land and buildings which are receivable as follows:

		At 30 June 2014	At 31 December 2013
		於二零一四年 六月三十日	於二零一三年 十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Within one year	一年內	11,987	11,069
In the second to fifth years	第二至五年	7,395	10,036
		19,382	21,105

The Group leases out its investment properties under operating lease arrangements which run for initial periods of less than one year to four years (31 December 2013: less than one year to five years) or expire at dates as mutually agreed between the Group and the respective tenants, without an option to renew the lease terms at the expiry date. The terms of the leases generally also require the tenants to pay security deposits.

20. 承擔及經營租賃安排

(a) 資本承擔

本集團有關發展中物業的資本承擔如下：

	At 30 June 2014	At 31 December 2013
	於二零一四年 六月三十日	於二零一三年 十二月三十一日
	HK\$'000	HK\$'000
	千港元	千港元
	(Unaudited)	(Audited)
	(未經審核)	(經審核)
Contracted but not provided for	30,977	64,128

(b) 經營租賃安排

(i) 本集團根據不可撤銷經營租賃應收土地及樓宇的未來最低租金收入總額如下：

	At 30 June 2014	At 31 December 2013
	於二零一四年 六月三十日	於二零一三年 十二月三十一日
	HK\$'000	HK\$'000
	千港元	千港元
	(Unaudited)	(Audited)
	(未經審核)	(經審核)
Within one year	11,987	11,069
In the second to fifth years	7,395	10,036
	19,382	21,105

本集團根據經營租賃安排出租其投資物業，初步為期少於一年至四年(二零一三年十二月三十一日：少於一年至五年)或按本集團與相關租戶共同協定的日期屆滿，惟並無附帶於屆滿日續租的選擇權。租約條款一般亦規定租戶支付保證按金。

Notes to the Interim Financial Report (Cont'd)

中期財務報告附註(續)

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

20. COMMITMENTS AND OPERATING LEASE ARRANGEMENTS (Cont'd)

(b) Operating lease arrangements (Cont'd)

- (ii) The Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings which are payable as follows:

		At 30 June 2014 於二零一四年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2013 於二零一三年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within one year	一年內	2,403	44
In the second to fifth years	第二至五年	4,806	-
		7,209	44

The Group leases a property under operating lease arrangement which run for initial period of three years (31 December 2013: one to two years) or expire at dates as mutually agreed between the Group and the respective landlords, without an option to renew the lease terms at the expiry date.

At 30 June 2014 and 31 December 2013, the Group had no contingent rentals receivable or payable.

21. EVENTS AFTER THE INTERIM REPORTING PERIOD

(a) Change of company name

The shareholders of the Company have passed a special resolution at the extraordinary general meeting of the Company held on 15 August 2014 to change the English name of the Company from "New Heritage Holdings Ltd." to "LVGEM (China) Real Estate Investment Company Limited" and to adopt "綠景(中國)地產投資有限公司" as the dual foreign name of the Company. The Company is carrying out necessary filing procedures with Registrar of Companies in Cayman Islands and Company Registry in Hong Kong. Details of which have been set out in the announcements dated 7 July 2014 and 15 August 2014.

(b) Conversion of convertible notes

On 7 August 2014, the Company received notice from AFHL and AICL (collectively, the "Noteholders"), requesting for the conversion of the 2011 Convertible Notes in the principal amount of HK\$25,000,000 and HK\$15,000,000, respectively. Accordingly, the Company has allotted and issued a total of 36,363,635 conversion shares to the Noteholders at the conversion price of HK\$1.10 per conversion share on 7 August 2014. The issued share capital of the Company has been increased to 1,384,240,281 shares upon the allotment and issue of the 36,363,635 conversion shares. The conversion shares rank pari passu with all the existing shares as at the date of allotment. Details of which have been set out in the announcement dated 7 August 2014.

22. APPROVAL OF THE INTERIM FINANCIAL REPORT

This unaudited interim financial report was approved and authorised for issue by the board of directors on 28 August 2014.

20. 承擔及經營租賃安排(續)

(b) 經營租賃安排(續)

- (ii) 本集團根據不可撤銷經營租賃應付土地及樓宇的未來最低租金費用總額如下：

	At 30 June 2014 於二零一四年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 December 2013 於二零一三年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
本集團根據經營租賃安排租賃一項物業，初步為期三年(二零一三年十二月三十一日：一至兩年)或按本集團與相關業主共同協定的日期屆滿，惟並無附帶於屆滿日續租的選擇權。	2,403	44
	4,806	-
	7,209	44

本集團根據經營租賃安排租賃一項物業，初步為期三年(二零一三年十二月三十一日：一至兩年)或按本集團與相關業主共同協定的日期屆滿，惟並無附帶於屆滿日續租的選擇權。

於二零一四年六月三十日及二零一三年十二月三十一日，本集團並無任何應收或應付或然租金。

21. 中期報告期後事項

(a) 更改公司名稱

本公司股東已於二零一四年八月十五日舉行的本公司股東特別大會上通過特別決議案，將本公司英文名稱由「New Heritage Holdings Ltd.」更改為「LVGEM (China) Real Estate Investment Company Limited」及採納中文名稱「綠景(中國)地產投資有限公司」作為本公司雙重外文名稱。本公司正向開曼群島公司註冊處及香港公司註冊處辦理必要存檔手續。詳情載於日期為二零一四年七月七日及二零一四年八月十五日的公告。

(b) 兌換可換股票據

於二零一四年八月七日，本公司接獲亞洲金融及亞洲保險(統稱「票據持有人」)通知，要求兌換本金額分別為25,000,000港元及15,000,000港元之二零一一年可換股票據。因此，本公司已於二零一四年八月七日按每股兌換股份1.10港元之兌換價，向票據持有人配發及發行合共36,363,635股兌換股份。於配發及發行36,363,635股兌換股份後，本公司已發行股本已增至1,384,240,281股股份。兌換股份與配發當日所有現有股份享有同等地位。詳情載於日期為二零一四年八月七日的公告。

22. 批准中期財務報告

董事會已於二零一四年八月二十八日批准及授權刊發本未經審核中期財務報告。

新澤控股有限公司 New Heritage Holdings Ltd.

(於開曼群島註冊成立之有限公司)

(Incorporated in the Cayman Islands with limited liability)

香港聯交所股份代號: 95 HKSE Stock Code: 95

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