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漢港地產集團
SINO HARBOUR PROPERTY GROUP

SINO HARBOUR PROPERTY GROUP LIMITED
漢港房地產集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1663)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2014

HIGHLIGHTS

- The Group achieved revenue of approximately RMB168.4 million for the six months ended 30 September 2014, mainly attributable to the sale of residential units of Fuzhou Hua Cui Ting Yuan (撫州華萃庭院) and Yichun Royal Like City (宜春御湖城) and the sale of commercial units of Nanchang Nanchang Honggu Kaixuan (南昌紅谷凱旋) and Yichun Royal Like City (宜春御湖城).

- Gross profit margin for the period was approximately 37.7% and net profit margin was approximately 19.5%.

- Profit and total comprehensive income for the period attributable to the owners of the Company amounted approximately RMB33.3 million and RMB33.3 million respectively.

- Earnings per share for profit attributable to the owners of the Company for the period amounted approximately RMB2.77 cents.

- Cash and bank balances as at 30 September 2014 was approximately RMB138.4 million. Pledged deposits as at 30 September 2014 was approximately RMB614.7 million.

- Bank and other loans as at 30 September 2014 was approximately RMB1,195.1 million.

The board (the "**Board**") of the directors (the "**Directors**") of Sino Harbour Property Group Limited (the "**Company**") hereby announces the unaudited condensed consolidated statement of profit or loss and other comprehensive income of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 September 2014 together with the unaudited comparative figures for the corresponding period in 2013 and the unaudited condensed consolidated statement of financial position of the Group as at 30 September 2014 together with audited comparative figures as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	**Six months ended 30 September 2014** ***RMB'000*** **(Unaudited)**	Six months ended 30 September 2013 *RMB'000* (Unaudited)
Revenue	*4*	**168,351**	161,349
Cost of sales		**(104,951)**	(110,295)
Gross profit		**63,400**	51,054
Other income	*4*	**10,700**	10,106
Selling and distribution expenses		**(7,290)**	(5,935)
Administrative expenses		**(14,396)**	(13,618)
Other operating expenses		**–**	(227)
Profit before income tax	*5*	**52,414**	41,380
Income tax expense	*6*	**(19,631)**	(15,646)
Profit for the period		**32,783**	25,734
Other comprehensive income (net of tax)			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of foreign operations		**22**	764
Total comprehensive income for the period		**32,805**	26,498
Profit/(loss) for the period attributable to:			
– Owners of the Company		**33,258**	26,517
– Non-controlling interests		**(475)**	(783)
		32,783	25,734
Total comprehensive income attributable to:			
– Owners of the Company		**33,280**	27,281
– Non-controlling interests		**(475)**	(783)
		32,805	26,498
Earnings per share for profit attributable to the owners of the Company during the period *(in RMB cents)*	*8*		
– Basic and diluted		**2.77**	2.21

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	30 September 2014 RMB'000 (Unaudited)	31 March 2014 RMB'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**10,835**	11,674
Investment properties		**331,348**	331,348
Interest in a joint venture		**182,437**	182,437
Pledged deposits		**330,000**	330,000
Deferred tax assets		**15,012**	15,012
		869,632	870,471
Current assets			
Properties held under development		**1,871,827**	1,154,456
Properties held for sale		**324,563**	414,172
Accounts receivable	*9*	**15,016**	669
Prepayments and other receivables		**91,864**	517,234
Pledged deposits		**284,659**	233,772
Cash and bank balances		**138,403**	67,768
		2,726,332	2,388,071
Current liabilities			
Accounts payable	*10*	**39,324**	23,995
Accruals, receipts in advance and other payables	*10*	**861,667**	653,219
Provision for tax		**115,416**	106,047
Bank and other loans	*11*	**335,644**	375,173
		1,352,051	1,158,434
Net current assets		**1,374,281**	1,229,637
Total assets less current liabilities		**2,243,913**	2,100,108
Non-current liabilities			
Bank and other loans	*11*	**859,500**	748,500
Deferred tax liabilities		**45,066**	45,066
		904,566	793,566
Net assets		**1,339,347**	1,306,542
EQUITY			
Equity attributable to the owners of the Company			
Share capital		**9,931**	9,931
Reserves		**1,119,227**	1,085,947
		1,129,158	1,095,878
Non-controlling interests		**210,189**	210,664
Total equity		**1,339,347**	1,306,542

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited							
	Equity attributable to the owners of the Company							
	Share capital	**Share premium**	**Statutory reserve**	**Exchange reserve**	**Retained profits**	**Total**	**Non–controlling interest**	**Total equity**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 April 2014 (Audited)	**9,931**	**537,994**	**60,107**	**5,432**	**482,414**	**1,095,878**	**210,664**	**1,306,542**
Total comprehensive income for the period	**–**	**–**	**–**	**22**	**33,258**	**33,280**	**(475)**	**32,805**
At 30 September 2014 (Unaudited)	**9,931**	**537,994**	**60,107**	**5,454**	**515,672**	**1,129,158**	**210,189**	**1,339,347**

	Unaudited								
	Equity attributable to the owners of the Company								
	Share capital	Share premium	Statutory reserves	Exchange reserve	Retained profits	Proposed final dividend	Total	Non–controlling interest	Total equity
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 April 2013 (Audited)	9,931	537,994	52,577	7,087	346,176	38,741	992,506	198,558	1,191,064
Total comprehensive income for the period	–	–	–	764	26,517	–	27,281	(783)	26,498
Increase in registered capital of a subsidiary	–	–	–	–	–	–	–	14,910	14,910
2013 final dividend paid	–	–	–	–	–	(38,741)	(38,741)	–	(38,741)
At 30 September 2013 (Unaudited)	9,931	537,994	52,577	7,851	372,693	–	981,046	212,685	1,193,731

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 September 2014 *RMB'000* **(Unaudited)**	Six months ended 30 September 2013 *RMB'000* (Unaudited)
Net cash generated from/(used in) operating activities	**87,507**	(251,245)
Net cash used in investing activities	**(50,595)**	(154,861)
Net cash generated from financing activities	**34,008**	322,264
Net increase/(decrease) in cash and cash equivalents	**70,920**	(83,842)
Effect of foreign exchange rates, net	**(285)**	772
Cash and cash equivalents at 1 April	**67,768**	240,917
Cash and cash equivalents at 30 September	**138,403**	157,847

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in Bermuda on 5 January 2011 as an exempted company with limited liability under the Companies Act 1981 of Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business of the Company is located at Room 1215, Tower B, Hunghom Commercial Centre, 37 – 39 Ma Tau Wai Road, Hunghom, Kowloon, Hong Kong.

The Group is principally engaged in property development in the People's Republic of China (the "**PRC**").

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated interim financial statements for the six months ended 30 September 2014 have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). They have been prepared under the historical cost basis except for investment properties which are stated at fair value. The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the audited financial statements of the Company for the year ended 31 March 2014, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all HKFRSs, HKASs and Interpretations).

The accounting policies and method of computation used in preparing the unaudited results are consistent with those used in the audited financial statements for the year ended 31 March 2014 except for the following new or revised standards, amendments and interpretations (the "**new or revised HKFRSs**") issued by the HKICPA effective for annual periods beginning on or after 1 April 2014:

HKAS 32 (Amendments) – 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 legal enforceable right to set off" and when a gross settlement mechanism is considered equivalent to net settlement.

HKAS 36 (Amendments) – Recoverable Amount Disclosure

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 recognized 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.

HKFRIC 21 – Levies

HKFRIC 21 clarifies that an entity recognises a liability to pay a levy imposed by government when the activity that triggers payment, as identified by the relevant legislation, occurs.

Impacts of adopting new or revised accounting standards:

The adoption of the new or revised HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not early adopted the following new or revised HKFRSs that have been issued but are not yet effective.

Improvements to HKFRSs	Annual Improvements 2010-2012 Cycle [2]
Improvements to HKFRSs	Annual Improvements 2011-2013 Cycle [1]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures [3]
HKFRS 9	Financial Instruments [3]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations [5]
HKFRS 14	Regulatory Deferral Accounts [4]
HKFRS 15	Revenue from Contracts with Customers [6]
Amendments for HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation [5]
Amendments to HKAS 19	Defined Contribution Plans: Employee Contributions [1]

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

[2] Effective for annual periods beginning, or transaction occurring on or after 1 July 2014

[3] Available for application — the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised.

[4] Effective for first annual HKFRS financial statements beginning on or after 1 January 2016

[5] Effective for annual periods beginning on or after 1 January 2016

[6] Effective for annual periods beginning on or after 1 January 2017

For the application of these new or revised HKFRSs, management is either assessing the impact of or considers that there will have no material impact on the results and the financial position of the Group.

3. SEGMENT REPORTING

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is more focused on the Group as a whole, as all of the Group's activities are considered to be primarily dependent on the performance on property development. Resources are allocated based on what is beneficial for the Group in enhancing its property development activities rather than any specific service. Performance assessment is based on the results of the Group as a whole. Therefore, management considers there to be only one operating segment under the requirement of HKFRS 8 Operating segments.

No geographical information is presented as the revenue and profit from operations are substantially derived from activities in Jiangxi Province of the PRC.

4. REVENUE AND OTHER INCOME

Revenue, which is also the Group's turnover, and other income recognised during the period are as follows.

	Six months ended 30 September 2014 *RMB'000* (Unaudited)	Six months ended 30 September 2013 *RMB'000* (Unaudited)
Revenue		
Sale of properties held for sale	**168,351**	161,349
Other income		
Interest income	**3,820**	8,125
Consultancy fee income	**–**	1,271
Rental income	**6,788**	710
Gain on disposal of property, plant and equipment	**53**	–
Others	**39**	–
	10,700	10,106

5. PROFIT BEFORE INCOME TAX

	Six months ended 30 September 2014 *RMB'000* (Unaudited)	Six months ended 30 September 2013 *RMB'000* (Unaudited)
Profit before income tax is arrived at after charging:		
Finance costs		
– Interest on bank and other loans wholly repayable within five years	**37,879**	25,509
Less: amount capitalised in properties held under development	**(37,879)**	(25,509)
	–	–
Cost of properties held for sale recognised as expense	**95,498**	100,864
Depreciation	**405**	346
Exchange (gain)/losses, net	**(226)**	1,733
Staff costs, including directors' emoluments		
– Wages and salaries	**8,291**	6,276
– Retirement benefit scheme contributions – defined contribution plans	**216**	63
Less: amount capitalised in properties held under development	**(2,649)**	(2,676)
	5,858	3,663

6. INCOME TAX EXPENSE

	Six months ended 30 September 2014 *RMB'000* (Unaudited)	Six months ended 30 September 2013 *RMB'000* (Unaudited)
Current tax – PRC		
– Enterprise Income Tax ("EIT")	**9,425**	10,647
– Land Appreciation Tax ("LAT")	**10,206**	4,999
Total income tax expense	**19,631**	15,646

EIT has been provided on the estimated profits of subsidiaries operating in the PRC at 25% (2013: 25%).

Under the law of the PRC on EIT, corporate withholding income tax is levied on the foreign investor for the dividends distributed out of the profits generated by the foreign investment enterprises. The Group's applicable withholding income tax rate is at 10% (2013: 10%).

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including cost and land use rights, borrowing costs, business tax and all property development expenditures. The tax is incurred upon transfer of property ownership. There are certain exemptions available for the sales of ordinary residential properties if the appreciation values do not exceed 20% of the total deductible items (as defined in the relevant PRC tax laws). Sales of commercial properties are not eligible for such an exemption.

Hong Kong profits tax is calculated at 16.5% (2013: 16.5%) on the estimated assessable profits for the period. No Hong Kong profits tax has been provided as the Group had no estimated assessable profits arising in or derived from Hong Kong for both periods.

7. DIVIDENDS

The Directors do not recommend the payment of any dividend for the six months ended 30 September 2014 (2013: nil).

8. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to the owners of the Company of approximately RMB33,258,000 for the six months ended 30 September 2014 (2013: RMB26,517,000) and 1,200,000,000 ordinary shares (2013: 1,200,000,000 shares) in issue during the period.

The Company did not have dilutive potential ordinary shares outstanding during both the current and prior periods. Accordingly, the diluted earnings per share is the same as the basic earnings per share for both the current and prior periods.

9. ACCOUNTS RECEIVABLE

The aging analysis of accounts receivable as at the end of the reporting period, based on the invoice date, is as follows:

	30 September 2014 *RMB'000* (Unaudited)	31 March 2014 *RMB'000* (Audited)
0 – 3 months past due	**12,951**	669
3 – 6 months past due	**2,065**	–
	15,016	669

Receivables that were past due but not impaired relate to a number of independent buyers. Based on past experience, the Board considered that no impairment allowance required as there has not been a significant change in credit quality and the balances are considered fully recoverable.

10. ACCOUNTS PAYABLE, ACCRUALS, RECEIPTS IN ADVANCE AND OTHER PAYABLES

	30 September 2014 *RMB'000* (Unaudited)	31 March 2014 *RMB'000* (Audited)
Accounts payable	**39,324**	23,995
Accruals, receipts in advance and other payables		
Receipts in advance	**566,687**	358,027
Accruals and other payables	**294,980**	295,192
	861,667	653,219

The aging analysis of accounts payable, based on invoice date, is as follows:

	30 September 2014 *RMB'000* (Unaudited)	31 March 2014 *RMB'000* (Audited)
Less than 3 months	**16,087**	13,083
3 – 6 months	**14,093**	3,165
6 months – 1 year	**3,690**	6,175
More than 1 year	**5,454**	1,572
	39,324	23,995

11. BANK AND OTHER LOANS

	30 September 2014 RMB'000 (Unaudited)	31 March 2014 RMB'000 (Audited)
Borrowings included in current liabilities:		
– Bank loans – secured	**255,644**	355,173
– Other loans – secured	**80,000**	20,000
	335,644	375,173
Borrowings included in non-current liabilities:		
– Bank loans – secured	**156,000**	140,000
– Other loans – secured	**703,500**	608,500
	859,500	748,500
Total borrowings	**1,195,144**	1,123,673

REVIEW OF FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2014 ("FIRST HALF OF FY2015") COMPARED TO THE SIX MONTHS ENDED 30 SEPTEMBER 2013 ("FIRST HALF OF FY2014")

Revenue

	Six months ended 30 September 2014 *RMB'000* **(Unaudited)**	Six months ended 30 September 2013 *RMB'000* (Unaudited)
Residential	**122,657**	118,684
Commercial and others	**45,694**	42,665
	168,351	161,349

Revenue for the first half of FY2015 was approximately RMB168.4 million compared to approximately RMB161.3 million in the previous corresponding period, an increase of 4.3%.

Revenue in the first half of FY2015 was primarily derived from the delivery of residential units of Yichun Royal Lake City (宜春御湖城) and Fuzhou Hua Cui Ting Yuan (撫州華莘庭院), together with the delivery of commercial units of Yichun Royal Lake City and Nanchang Honggu Kaixuan (南昌紅谷凱旋). In the first half of FY2014, revenue was mainly attributable to the delivery of residential units of Yichun Royal Lake City and Fuzhou Hua Cui Ting Yuan.

Cost of Sales and Gross Profit Margin

Cost of sales decreased from approximately RMB110.3 million in the first half of FY2014 to approximately RMB105.0 million in the first half of FY2015. In the first half of FY2015, over 50% of the residential units sold by the Group were townhouses, which have a higher profit margin compared with other residential units. Consequently, gross profit margin increased from 31.6% in the first half of FY2014 to 37.7% in the first half of FY2015.

Other Income

Other income increased from approximately RMB10.1 million in the first half of FY2014 to approximately RMB10.7 million in the first half of FY2015. The increase was mainly attributable to the increase in rental income arising from the lease of office premises of Nanchang Sino Harbour Kaixuan Center (南昌漢港凱旋中心) since January 2014, the increase was partially offset by the decrease in interest income.

Selling and Distribution Expenses

Selling and distribution expenses increased from approximately RMB5.9 million in the first half of FY2014 to approximately RMB7.3 million in the first half of FY2015. The higher selling expenses in the first half of FY2015 were mainly due to the increase in marketing expenses incurred in Yichun Royal Lake City and Fuzhou Hua Cui Ting Yuan.

Administrative Expenses

Administrative expenses increased to approximately RMB14.4 million in the first half of FY2015 from approximately RMB13.6 million in the first half of FY2014. The increase was mainly attributable to the increase in salaries by approximately RMB1.5 million, which was partially offset by the decrease in bank charges by approximately RMB0.7 million.

Profit for the Six Months Ended 30 September 2014

As a cumulative effect of the foregoing factors, the Group recorded a profit before income tax of approximately RMB52.4 million in the first half of FY2015, compared to approximately RMB41.4 million in the first half of FY2014.

Correspondingly, income tax expense increased from approximately RMB15.6 million in the first half of FY2014 to approximately RMB19.6 million in the first half of FY2015.

As a result, profit attributable to the owners of the Company was approximately RMB33.3 million in the first half of FY2015, compared to approximately RMB26.5 million in the first half of FY2014.

REVIEW OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2014

Properties Held Under Development

As at 30 September 2014, the Group's properties held under development increased to approximately RMB1,871.8 million from approximately RMB1,154.5 million as at 31 March 2014. The increase mainly represented the transfer of the land use rights consideration for a land parcel in Hangzhou, Zhejiang Province, the PRC amounted approximately RMB506.0 million from prepayment to properties under development in the first half of FY2015.

Properties Held for Sale

Properties held for sale decreased from approximately RMB414.2 million as at 31 March 2014 to approximately RMB324.6 million as at 30 September 2014. The decrease was due to the sale of property units in the first half of FY2015.

Accounts Receivable

As at 30 September 2014, the Group's accounts receivable amounted approximately RMB15.0 million. Accounts receivable is mainly arisen from sales of properties. Since the balances were considered fully recoverable, no impairment allowance required.

Deposits Paid, Prepayments and Other Receivables

As at 30 September 2014, the Group's deposit paid, prepayments and other receivables amounted approximately RMB91.9 million, compared to approximately RMB517.2 million as at 31 March 2014. The decrease was mainly represented the full payment of the land use rights consideration for a land parcel in Hangzhou, Zhejiang Province, the PRC in the first half of FY2015.

Accounts Payable, Accruals, Receipts in Advance and Other Payables

Accounts Payable increased to approximately RMB39.3 million as at 30 September 2014 from approximately RMB24.0 million as at 31 March 2014 mainly due to the near completion of Fuzhou Hua Cui Ting Yuan Phase 3. Accounts Payable mainly comprised of amount payable to suppliers for construction cost incurred in respect of the Group's properties under development.

Accruals, receipts in advance and other payables comprise mainly of the advance receipts from customers in respect of deposit and prepayments for the Group's property pre-sales, and the accrued construction costs and project-related expenses that are based on the progress of project development but are not due for payment.

Accruals, receipts in advance and other payables increased to approximately RMB861.7 million as at 30 September 2014 from approximately RMB653.2 million as at 31 March 2014. The increase mainly represented the receipts from customers for the deposits and prepayments for the Group's property pre-sales in the first half of FY2015, which was partially offset by the advance receipts realised as revenue in the same period.

Cash Position and Borrowings

As at 30 September 2014, the Group had cash and bank balances of approximately RMB138.4 million. Pledged deposits as at 30 September 2014 was approximately RMB614.7 million.

As at 30 September 2014, the Group had total borrowing of approximately RMB1,195.1 million, increased from approximately RMB1,123.7 million as at 31 March 2014. The increase mainly represented the new borrowings in the first half of FY2015.

FOREIGN CURRENCY RISK

As the Group's operations were mainly conducted in the PRC and the majority of the sales and purchases were transacted in Renminbi, the directors of the Company are of the view that the Group's operating cash flow and liquidity are not subject to significant foreign exchange rate risks and therefore no hedging arrangements were made. However, the Group will review and monitor the relevant foreign exchange exposure from time to time based on its business development requirements and may enter into foreign exchange hedging arrangements when appropriate.

MATERIAL ACQUISITION AND DISPOSAL

During the six months ended 30 September 2014, the Company had no material acquisition or disposal of assets, subsidiaries and affiliated companies.

EMPLOYEE AND REMUNERATION POLICY

There were 153 employees in the Group as at 30 September 2014. Staff remuneration packages are determined in consideration of market conditions and the performance of the individuals concerned, and are subject to review from time to time. The Group also provides other staff benefits including medical insurance, and grants discretionary incentive bonuses to eligible staff based on their performance and contributions to the Group.

COMPANY UPDATE

Property Pre-sales

The pre-sale activity for the Group's projects in Nanchang, Fuzhou and Yichun cities of Jiangxi Province remained strong. The results of Property Pre-sale Launches (as at 3 November 2014) are summarised in the tables below:

Residential Units

	Nanchang Sino Harbour Kaixuan City Phase 1 (南昌漢港凱旋城一期)	**Fuzhou Hua Cui Ting Yuan Phase 2 (撫州華萃庭院二期)**	**Fuzhou Hua Cui Ting Yuan Phase 3 (撫州華萃庭院三期)**	**Yichun Royal Lake City Phase 2 (宜春御湖城二期)**
Estimated total Gross Floor Area ("**GFA**") released for sale (total units)	19,450 sq. m. (152 units)	79,933 sq. m. (550 units)	117,177 sq. m. (1,127 units)	51,630 sq. m. (588 units)
Estimated total GFA pre-sold (total units)	11,892 sq. m. (94 units)	69,324 sq. m. (514 units)	89,055 sq. m. (877 units)	35,396 sq. m. (389 units)
Percentage of pre-sale	61%	87%	76%	69%
Pre-sale GFA (units pre-sold) not handed to buyers as at 30 September 2014 ^	11,892 sq. m. (94 units)	9,862 sq. m. (42 units)	89,055 sq. m. (877 units)	35,396 sq. m. (389 units)
Pre-sale value not handed over to buyers as at 30 September 2014 ^	RMB77.18 million	RMB72.47 million	RMB453.38 million	RMB162.13 million
Average Selling Price ("**ASP**") per sq. m. *	RMB6,490	RMB7,348	RMB5,091	RMB4,580
Expected completion date	Q1CY2015	Completed	Q1CY2015	Q1CY2015

*: *ASP of the projects is computed as follows: Pre-sale value not handed over to buyers divided by Pre-sale GFA not handed over to buyers.*

^: *Pre-sale value not handed over to buyers is computed as follows: Beginning period pre-sales plus New pre-sales during the period less those handed over to buyers during the period (Recognised as sales during the period).*

FUTURE OUTLOOK

Recently, a number of local governments released certain relaxation policies targeting property market. The Group foresees the PRC property market regulatory policies, aiming at the setup of a long-term mechanism based on regulation building, will be moderately adjusted in the second half of 2014 as well as 2015. In the long run, with the boost of solid demand by the acceleration of urbanisation and further improvements in property-related rules and regulations, the Group remains optimistic with the prospect of property industry.

DIVIDEND

The Board has resolved that no interim dividend to be paid for the six months ended 30 September 2014 (six months ended 30 September 2013: nil).

PURCHASE, SALE OR REDEMPTION OF COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2014.

CORPORATE GOVERNANCE COMPLIANCE

The Company focuses on maintaining high standard of corporate governance in order to achieve sustainable development and enhance corporate performance especially the areas of internal control, fair disclosure and accountability to all shareholders.

For the six months ended 30 September 2014, the Company has applied the principles and complied with most of the provisions in the Corporate Governance Code (the "Code Provisions") contained in Appendix 14 of the Listing Rules except the following deviation.

Ms. ZHANG Juan, the independent non-executive Director of the Company, was unable to attend the annual general meeting of the Company held on 23 July 2014. This constitutes a deviation of the code provision A.6.7 of the Code Provisions.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its code of conduct for securities transactions by the Directors. After having made specific enquiries with all Directors, all Directors have confirmed that they have complied with the required standards set out in the Model Code and its code of conduct for the six months ended 30 September 2014.

AUDIT COMMITTEE

The Audit Committee consists of three independent non-executive Directors, Mr. LEE Man To, Mr. XIE Gang, and Ms. ZHANG Juan and is chaired by Mr. LEE Man To. The Group's unaudited condensed consolidated interim results for the six months ended 30 September 2014 were reviewed by the members of the Audit Committee before submission to the Board for approval.

CAUTION STATEMENT

The Board wishes to remind investors that the above unaudited interim results and operational statistics for the six months ended 30 September 2014 and the corresponding period in 2013 are based on the Group's internal information. Investors should note that undue reliance on or use of such information may cause investment risks. **Investors are advised to exercise caution when dealing in the securities of the Company.**

This announcement contains forward-looking statements regarding the objectives and expectations of the Group with respect to its opportunities and business prospects. Such forward-looking statements do not constitute guarantees of future performance of the Group and are subject to factors that could cause the Company's actual results, plans and objectives to differ materially from those expressed in the forward-looking statements. These factors include, but not limited to, general industry and economic conditions, shifts in customer demands, and changes in government policies. The Group undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances.

This announcement is originally prepared in English. In case of any inconsistency between the English version and the Chinese version, the English version shall prevail.

By order of the board of
Sino Harbour Property Group Limited
SHI Feng
Deputy Chairman

Hong Kong, 12 November 2014

As at the date of this announcement, the Board comprises Mr. SHI Feng, Mr. WONG Lui and Ms. GAO Lan as executive Directors, Ms. CHAN Heung Ling as non-executive Director and Mr. XIE Gang, Mr. LEE Man To and Ms. ZHANG Juan as independent non-executive Directors.