



上海實業城市開發集團有限公司
SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LIMITED

(Incorporated in Bermuda with limited liability)
Stock Code: 563

THE **RISING**

MATRIX

INTERIM REPORT 2015



CREATING A BRIGHT FUTURE ON SUSTAINED ADVANTAGES

Shanghai Industrial Urban Development Group Limited ("SIUD" or the "Company", together with its subsidiaries, the "Group") currently has 20 real estate projects in 11 major cities in China, namely Shanghai, Kunshan, Wuxi, Beijing, Shenyang, Tianjin, Xi'an, Chongqing, Changsha, Shenzhen and Zhuhai. Most of the projects are mid- to high-end residential projects which are under construction at full steam, presenting the Group with an approximately 4.9 million-square-meter land bank and excellent foundation for long term development.



Artist's Impression



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Ji Gang *(Chairman & President)*

Zhou Jun

Yang Jianwei

Yang Biao

Ye Weiqi

Huang Fei

Independent Non-Executive Directors

Doo Wai-Hoi, William, *J.P.*

Fan Ren Da, Anthony

Li Ka Fai, David

AUTHORIZED REPRESENTATIVES

Ji Gang

Chan Kin Chu, Harry

BOARD COMMITTEES

Audit Committee

Li Ka Fai, David *(Committee Chairman)*

Doo Wai-Hoi, William, *J.P.*

Fan Ren Da, Anthony

Remuneration Committee

Doo Wai-Hoi, William, *J.P. (Committee Chairman)*

Fan Ren Da, Anthony

Ye Weiqi

Nomination Committee

Ji Gang *(Committee Chairman) (appointed on 3 August 2015)*

Doo Wai-Hoi, William, *J.P. (appointed on 3 August 2015)*

Fan Ren Da, Anthony

Investment Appraisal Committee

Fan Ren Da, Anthony *(Committee Chairman)*

Zhou Jun

Ye Weiqi

COMPANY SECRETARY

Chan Kin Chu, Harry

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Services Limited

Clarendon House,

2 Church Street,

Hamilton, HM11,

Bermuda.

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited

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Hong Kong.

LEGAL ADVISERS

As to Hong Kong Law

Ashurst Hong Kong

As to Bermuda Law

Conyers Dill & Pearman

REGISTERED OFFICE

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Hamilton, HM11,

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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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WEBSITE

<http://www.siud.com>

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

Industrial and Commercial Bank of China (Asia) Limited

Shanghai Pudong Development Bank Company Limited

China Construction Bank Corporation

Agricultural Bank of China Limited

The Bank of East Asia, Limited

AUDITOR

Deloitte Touche Tohmatsu

35/F., One Pacific Place,

88 Queensway, Hong Kong.

LISTING INFORMATION

The Stock Exchange of Hong Kong Limited

Ordinary Shares

(Stock Code: 563)

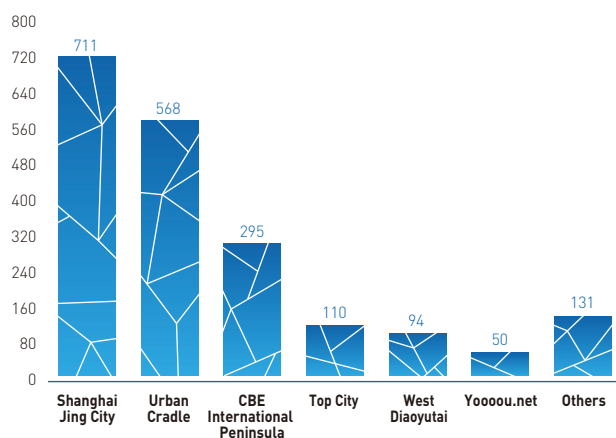
FINANCIAL HIGHLIGHTS

	For the six months ended 30 June 2015	For the six months ended 30 June 2014
Financial Highlights (HK\$'000)		
Revenue	2,173,156	3,167,095
Profit/(Loss) attributable to equity owners of the Company	114,005	(148,190)
Financial Information per share (HK cent)		
Earnings/(Loss)		
– Basic	2.37	(3.08)
– Diluted	2.37	(3.08)
Financial Ratios		
Pre-sale proceeds received on sales of properties (HK\$'000)	1,959,474	2,400,586
Net debt to total equity (%)	73.6%	65.6%
Current ratio	2.5	1.9

Note: Net debt = total borrowings (including bank borrowings, loan payables and senior notes) less cash and cash equivalents and restricted bank deposits secured against bank borrowings.

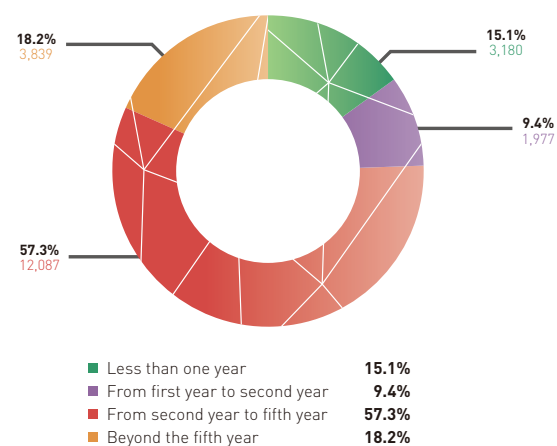
ANALYSIS ON PRE-SALE PROCEEDS RECEIVED ON SALES OF PROPERTIES

HK\$
(million)

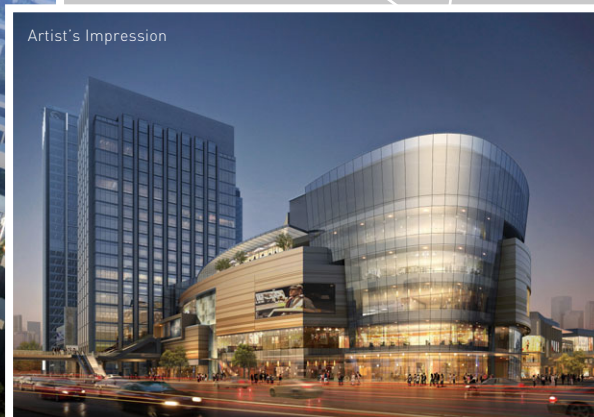


DEBT MATURITY PROFILE

HK\$
(million)



CHAIRMAN'S STATEMENT



CHAIRMAN JI GANG

In March 2015, Chinese Premier Li Keqiang proposed in the Report on the Work of the Government that policies should be formulated based on the local conditions of different regions and cities and people's demand for self-use housing and second homes for living standard improvement should be supported in order to promote the stable and sound development of the real estate market. He also suggested phasing in the policy of using both the provision of housing and the allocation of housing subsidies in providing housing support, and transforming some of the available housing into public rental and resettlement housing. In the first half of 2015, with a few times of reduction in deposit reserves and interest rates announced by the central bank of China and the gradual relaxation of home purchase and loan restrictions throughout the country, first-tier cities began to pick up following the downturn in the real estate market in China.



In the first half of 2015, despite the new norms in China's economy, China's GDP still grew 7.0% year-on-year while breakthroughs were witnessed in the real estate market. As the government continued to introduce stimulus policies to boost the real estate market, the transaction volume in first- and second-tier cities rebounded month-on-month steadily. In view of the uncertainties in the real estate market in most third- and fourth-tier cities, the Group had already selectively withdrawn from such cities and speeded up its strategic shifting towards first-tier cities and the Yangtze River Delta region, particularly in Shanghai, where solid demand for housing products as well as economic development was better secured, as early as in 2013. This also serves as a proof of the management's acumen in market developments.

During the review period, the Group continued its concentration on developing large-scale high-quality projects with high margins. Meanwhile, since the acquisition of ShanghaiMart last year, the scale of the Group's investment property portfolio has begun to take shape and its Shanghai-based commercial and office properties have gradually expanded, leading to a stable increase in rental income. Benefiting from its targeted market strategies, comprehensive management system and professional and seasoned management team, the Group experienced growth in its gross profit margin, which went up by 2.9 percentage points to 33.5%, while maintaining stable sales in the first half of 2015. Profit attributable to owners of the Company even turned around to HK\$114,005,000, which was very encouraging.

In response to the new dynamics in the external environment, the Group optimized and adjusted the geographical distribution of its project portfolio. During the period, adhering to the operational strategy of non-core assets, the Group disposed of its indirectly held Hebei Yanjiao project at a total consideration of RMB940,000,000, generating a profit before taxation of approximately RMB356,000,000 for the Group. In June 2015, to intensify cooperation with respect to our respective resource advantages, the Group entered into a strategic cooperation framework agreement with the Government of Minhang District of Shanghai. Under the agreement, both parties would join hands in the construction of municipal infrastructure and operations relating to real estate development, and SIUD, as an individual enterprise, would also be uncharacteristically provided with taxation, investment and business promotion incentives to encourage the Group to play an active role in project construction in the district. By capitalizing the strengths of the Government of Minhang District and its own resource advantages as a state-owned enterprise, SIUD will progressively bring in a lot of premium enterprises and businesses to support the economic development of Minhang District. Moreover, the Group will also proactively seek to cooperate with the state-owned assets and enterprises in Minhang District with a view to establishing win-win long-term cooperation relationship.

Looking back, the financial market in Hong Kong experienced substantial fluctuations during the first half, with the stock market soaring generally in April until a drastic pullback began in June. It reflects that the Hong Kong stock market cycle is gathering pace and enterprises have to be timelier in financing. The Group persisted in carrying out its operations properly and improving its profitability in order to access the financial market with its solid fundamentals. Apart from the traditional onshore and offshore financing channels, the Group will also proceed to study the possibility of establishing a two-way capital pool in Shanghai Free Trade Zone so that a multitude of more flexible and efficient methods can be employed towards financing and capital allocation whenever necessary to improve its capital structure.

Stepping into the next half, the Group will launch more projects and its key projects include the commodity housing in Phase V of Shanghai Jing City, garden houses in the new phase of Xi'an CBE International Peninsula, apartments and shops in the Laochengxiang project in Tianjin and apartments in the Shenyang•U Center project. The Group is confident in achieving its annual sales target.

Going forward, the central government has already laid out detailed plans for the reform of state-owned enterprises in a bid to enhance their overall competitiveness and improve the economies of scale. A new round of resource consolidation has already begun. The Group will also take the lead to participate in the reform of state-owned assets and enterprise in Shanghai and identify cooperation and development opportunities in the related industries in order to extend its asset operation platform and unleash its optimal enterprise value in an effective manner.

Furthermore, the real estate industry also demonstrates the characteristics of the new era under the new norms in economy. For example, the model of mixed property development characterized with dedicated concepts in land planning, such as "Internet Plus", community development, healthcare and medical services, elderly services, tourism and entertainment, will become more and more mature. On this basis, while maintaining its focus on developing mid- to high-end residential properties, the Group will also take the initiative to identify strategic cooperation partners so as to grasp the opportunities brought by the new norms in economy by creating room for growth through complementary cooperation.

On the other hand, in view of the continuous transformation of the real estate industry, developers have a growing need to diversify their business models and products. In the future, aside from following the traditional model of revolving around residential properties complemented by commercial and office properties, the Group will also strive to expand in different sectors, including property management, property development for specific industries and financial real estate investment. The Group will also raise capital when suitable market opportunities arise to further lower its financial costs and improve its financial structure with an aim of laying a solid foundation for the long-term development of the Group.

Finally, I would like to express my appreciation to all employees for their dedications and contributions and my sincere gratitude to all of our business partners, customers and shareholders for their long-term support.



Ji Gang
Chairman

17 August 2015

MANAGEMENT DISCUSSION AND ANALYSIS

PROPERTY MARKET REVIEW

In the first half of 2015, China's property market maintained a steadily improving trend amidst the volatility following the introduction of a series of stimulus policies by the government. The interest rates on home mortgages lowered after four consecutive interest rate cuts and three reductions in deposit reserves ratio announced by the central bank of China from the end of last year to the first half of 2015. Policies such as the gradual relaxation of home purchase restrictions throughout the country also stimulated the property market.

During the period under review, many developers adopted the sales strategy of sacrificing price for volume. In view of the remarkable trend of cross-regional deviations of development in the domestic real estate market, the Group focused on developing our businesses in the Yangtze River Delta region and prosperous coastal cities, where both the fundamentals of the market and demand remain solid. The Group concentrated on developing high-quality projects, such as our flagship project Urban Cradle in Shanghai. Given their superiority over similar products in the vicinity in terms of branding and quality, these projects have relatively stronger pricing capabilities and are able to maintain stable sales levels.

BUSINESS REVIEW

In the first half of 2015, the Group remained focused on restructuring and optimizing our asset portfolio by taking an active role in the reform of state-owned enterprises and further realizing asset marketization with a view to enhancing the Group's competitiveness. In February 2015, the Group disposed of the 100% interests in its indirectly held Yanjiao project at a total consideration of RMB940,000,000, generating a profit before taxation of approximately RMB356,000,000 for the Group. By the end of the first half, the Group entered into a strategic cooperation framework agreement with the Government of Minhang District of Shanghai to intensify cooperation with respect to our respective resource advantages. Under the agreement, among others, the Government of Minhang District would: (1) join hands with SIUD in the construction of municipal infrastructure and public ancillary facilities, including operations relating to land maturing and real estate development; (2) provide the Group with taxation, investment and business promotion incentives; and (3) notify SIUD of any information about the relevant projects in a timely manner and, subject to the same conditions, encourage SIUD to play an active role in project construction in order to facilitate its cooperation with the state-owned assets and enterprises in Minhang District and help SIUD further expand its market.

Property Development

During the six months ended 30 June 2015, the Group had a total G.F.A. of approximately 2,238,000 sq.m. under construction, of which approximately 68,000 sq.m. were new projects. The projects under construction primarily included the CBE International Peninsula in Xi'an, U Center, Shanghai Jing City and Xinzhuang Metro Superstructure in Shanghai. The Group completed construction with G.F.A. of 220,000 sq.m., and delivered a total G.F.A. of 131,000 sq.m., comprising approximately 126,000 sq.m. of commodity housing and approximately 5,000 sq.m. of affordable housing.

Contract Sales

During the six months ended 30 June 2015, the Group recorded total contract sales of RMB2,068,000,000 (six months ended 30 June 2014: RMB2,520,000,000) from commodity housing and affordable housing, representing 46.0% of the annual sales target of RMB4,500,000,000 initially set at the beginning of the year. Since most projects will be launched in the second half of the year, the Group is confident in fulfilling the annual sales target. Contract sales in terms of G.F.A. were 110,000 sq.m. during the period, down 33.3% year-on-year, while average selling price rose by approximately 22.9% to approximately RMB18,800 per sq.m., mainly due to the variation in product category and project location during the period.

During the first half, contract sales from commodity housing amounted to RMB1,564,000,000 (six months ended 30 June 2014: RMB1,710,000,000), accounting for 75.6% of the total contract sales. Urban Cradle in Shanghai, CBE International Peninsula in Xi'an and Royal Villa in Kunshan accounted for 73.6%, 18.6% and 3.9% of commodity housing contract sales respectively. The total G.F.A. sold under contract sales of commodity housing was 78,000 sq.m., or a decrease of 4.9% year-on-year, while the average selling price also dropped by 3.8% to approximately RMB20,000 per sq.m. due to the variation in product portfolio during the period. During the first half, the sales of affordable housing amounted to RMB504,000,000 (six months ended 30 June 2014: RMB810,000,000), all of which was derived from Shanghai Jing City. The decrease of sales was attributable to the sale of the Group's affordable housing coming to an end. The sales of affordable housing accounted for 24.4% of the overall contract sales and the G.F.A. sold under contract sales was 32,000 sq.m., representing a year-on-year decrease of 61.4%, while the average selling price increased by 61.2% to approximately RMB15,800 per sq.m.

FINANCIAL REVIEW

Revenue

During the six months ended 30 June 2015, the Group's revenue decreased by 31.4% year-on-year to HK\$2,173,156,000 (six months ended 30 June 2014: HK\$3,167,095,000), primarily due to the decreased delivery of completed property. During the period, property sales remained as the Group's main source of revenue and amounted to HK\$1,734,958,000 (six months ended 30 June 2014: HK\$2,949,358,000), accounting for 79.8% of the Group's total revenue. The revenue contribution from Urban Cradle, CBE International Peninsula and Top City accounted for 42.1%, 39.7% and 8.9% of property sales respectively. Commodity and affordable housing accounted for 95.8% and 4.2% of the revenue from property sales respectively (six months ended 30 June 2014: 71.1% and 28.9%).

Revenue from leasing, property management and services, and hotel operations continued to provide stable revenue sources for the Group, contributing HK\$319,143,000, HK\$45,504,000 and HK\$73,551,000 and accounting for 14.7%, 2.1% and 3.4% (six months ended 30 June 2014: 4.4%, 1.2% and 1.3%) of the total revenue respectively. Due to the acquisition of ShanghaiMart in late September 2014, the rental income grew substantially by 127% during the period.

Gross Profit and Gross Profit Margin

For the six months ended 30 June 2015, the Group's gross profit was HK\$728,791,000 (six months ended 30 June 2014: HK\$969,896,000), representing a decrease as compared with the corresponding period last year, which was attributable to a decrease of revenue. Gross profit margin was 33.5%, an increase of approximately 2.9 percentage points from 30.6% during the same period last year.

Investment Property Revaluation

For the six months ended 30 June 2015, the Group recorded a net loss on revaluation of investment properties of approximately HK\$59,061,000, which was mainly attributable to Top City in Chongqing.

Distribution and Selling Expenses

For the six months ended 30 June 2015, the Group's distribution and selling expenses fell by 23.0% year-on-year to HK\$68,911,000 (six months ended 30 June 2014: HK\$89,536,000) as a result of the decrease of saleable housing units during the period.

General and Administrative Expenses

During the six months ended 30 June 2015, the Group recorded general and administrative expenses of approximately HK\$224,895,000, an increase of 14.4% year-on-year (six months ended 30 June 2014: HK\$196,632,000), which was mainly attributable to the inclusion of the general and administrative expenses of ShanghaiMart in the Group's financial statements following the acquisition of ShanghaiMart in last September.

Profit

During the six months ended 30 June 2015, the Group's profit increased significantly year-on-year by 10.2 times to approximately HK\$188,243,000 (six months ended 30 June 2014: HK\$16,807,000), which was mainly attributable to the one-off gain arising from the disposal of the Yanjiao project during the period. During the period, profit attributable to owners of the Company reversed its position from a loss to a profit and increased significantly to HK\$114,005,000 (six months ended 30 June 2014: loss attributable to owners of the Company of HK\$148,190,000). During the first half of the year, both basic and diluted earnings per share also turned around to 2.37 HK cents (six months ended 30 June 2014: loss per share of 3.08 HK cents).

Cash and Financial Position

The Group manages its capital to ensure that entities in the Group will be able to operate continuously on a sustainable basis while maximizing the return to shareholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes bank and other borrowings, senior notes, cash and cash equivalents and equity attributable to owners of the Company (comprising issued share capital and reserves).

As at 30 June 2015, bank balances and cash of the Group were HK\$5,870,116,000 (31 December 2014: HK\$6,424,058,000). The net debt to total equity of the Group (net debt (total borrowings less cash and cash equivalents and restricted and pledged bank deposits) to total equity) rose from 65.6% as at the end of last year to 73.6%. Current ratio increased to 2.5 (31 December 2014: 1.9).

As at 30 June 2015, the total borrowings of the Group including bank borrowings, other borrowings and bonds amounted to approximately HK\$21,083,269,000 (31 December 2014: HK\$20,127,925,000).

The Group had a total of 4,811,523,189 shares in issue as at 30 June 2015. Due to profit recorded in the first half, the equity attributable to owners of the Company amounted to HK\$12,545,867,000 as at 30 June 2015.

The Group maintained sufficient cash inflow during the period. The management believes that the Group's financial resources and future revenue will be sufficient to support the current working capital requirements and future expansion of the Group.

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 30 June 2015, the Group employed a total of 1,318 employees (including Hong Kong and the PRC offices). The remuneration policies for the employees of the Group are determined according to the performance, qualification, experience and competence of the employees. The emoluments of the directors of the Company (the "**Directors**") is determined by the remuneration committee of the Company, having regard to the operating results of the Group, individual performance and comparable market statistics. Staff benefits include contributions to the Mandatory Provident Fund Schemes and discretionary bonus payments which are linked to the profitability of the Group and individual performance.

The Group had adopted a share option scheme as an incentive to the Directors and eligible employees. During the six months ended 30 June 2015, the Group provided training programs relating to work to employees. Activities aiming at building up team spirit were regularly organized for employees, so as to enhance the human capital of the Group and the sense of belonging of the staff.

LAND BANK

As at 30 June 2015, the Group's future saleable land bank totaled approximately 4,897,000 sq.m. in G.F.A., which are developed into 20 property projects located in 11 cities. The Group's land bank, which is currently distributed across the Yangtze River Delta region, Western China, Bohai Bay, Pearl River Delta region and Central China, is sufficient to support the Group's development pipeline for the next three to five years. The Group will continue to maintain its sustainable development strategy and further consolidate its resources in order to sharpen and utilize its competitive edge in the Yangtze River Delta region and coastal areas.

OUTLOOK

Looking ahead, the economic development of China will keep making progress under the new norms during the year. The downward trend of property prices has slowed down significantly as the favourable policies continue to take effect. In first-tier cities, property prices have even entered a rising cycle. The number of cities recording a month-on-month increase in the price of new commodity residential housing has increased month by month in the first half year. According to the statistics of China Index Academy, 50 representative cities recorded a monthly average transaction volume of approximately 26,000,000 sq.m. during the first half of 2015, representing a year-on-year increase of 25%, which was a new high as compared to previous corresponding periods. Moreover, home prices in 100 cities went up by 0.82% during the first half. In particular, the price rise in first-tier cities, including Beijing, Shanghai and Guangdong, has outstripped the whole country with Shenzhen taking the lead. The property market in first-tier cities is expected to follow a steady uptrend in the second half of the year.

On 18 May 2015, the government issued the Opinions on Key Work on Deepening Economic System Reform in 2015 (《關於二零一五年深化經濟體制改革重點工作的意見》) to set out the overall plan for the reform of state-owned enterprises this year. Certain proposals were raised on the issues of the restructure of central enterprises, operation of state-owned capital, development of mixed ownership enterprises and enhancement of corporate internal management. With the roll-out of the general plan of the reform of state-owned enterprises, the objectives, procedures, directions and focuses of the reform have become much clearer and the reform of state-owned enterprises will further speed up. Large-scale restructuring of state-owned enterprises featuring spin-off and regrouping is expected in the second half of the year. On one hand, state-owned enterprises will further open their doors to the capital market. On the other hand, the merger and acquisition and restructuring of state-owned enterprises will also enter a new stage. The Group will grasp the opportunity to take an active part in the reform of state-owned assets and enterprises in order to seek cooperation and development opportunities relating to the real estate industry with an aim of maximizing the investment returns for its shareholders.

With its foothold in Shanghai, the Group is able to fully capitalize on the competitive edges of this large city by entering into a strategic cooperation framework agreement with the Government of Minhang District during the period. The Group is proactively identifying suitable land in the hope of obtaining premium land parcels in Shanghai in the second half of the year. Under the new norms in economy, to create wider room for development in the real estate industry, the management is well prepared to complement with enterprises enjoying an edge in their respective sectors so as to seek opportunities to develop mixed property projects by injecting different elements, such as tourism, culture, elderly care or innovative technology, into the projects.

Under the easing monetary policy, finance costs of domestic enterprises have lowered, and a continuous drop is expected in the total borrowing costs of the Group. Besides, the completion and putting into operation of the Group's investment projects in Shanghai in the future, including Binjiang U Center, Minhang U Center and Xinzhuang Metro Superstructure, will substantially increase the rental income of the Group, and thus lead to a more solid balance sheet.

Furthermore, the Group will launch most of its projects in the second half of the year, with focuses on the commodity housing in Phase V of Shanghai Jing City, garden houses in CBE International Peninsula in Xi'an, apartments and shops in the Laochengxiang project in Tianjin and apartments in the Shenyang•U Center project. While the Group is confident in achieving its annual sales target, taking the opportunities of the reform of state-owned enterprises and transformation of the real estate industry, the Group has also devised plans to extend its businesses along the real estate industry chain and strengthen or expand its operations in property management, property development for specific industries and financial real estate investment.

In a nutshell, given the Group's effectiveness in stressing its strengths, comprehensive management system and professional and seasoned management team, the management remains optimistic about the full-year results of the Group and is convinced that the investment returns of the shareholders can be enhanced in the long run.

DETAILS OF PROPERTIES

The Group has 20 projects in 11 cities, comprising mid- to high-end residential units, serviced apartments, commercial and office buildings. As at 30 June 2015, the total GFA of the future saleable land bank of the Group was approximately 4.9 million sq.m.

The Group has restructured its projects and will adopt prudent strategies in future land acquisition.

As at 30 June 2015

Project	City	Site Area (sq.m.)	Planned G.F.A. (sq.m.)	Saleable G.F.A. (sq.m.)	1H2015 G.F.A. pre-sold (sq.m.)	Accumulated G.F.A. Sold (sq.m.)	Future saleable G.F.A. (sq.m.)	G.F.A. under construction (sq.m.)	G.F.A. for future development (sq.m.)	Expected Completion Date	Ownership (%)
Urban Cradle	Shanghai	908,950	1,136,468	822,724	21,122	681,621	141,103	193,764	-	2007-2015, in phases	53%
Binjiang U Center	Shanghai	77,371	404,600	284,600	-	-	284,600	-	284,600	Planning	35%
Shanghai Youth City	Shanghai	57,944	212,130	164,688	51	137,529	27,159	-	-	Completed	100%
U Center	Shanghai	65,727	388,125	242,010	-	18,239	223,771	223,771	-	2014-2016, in phases	59%
Shanghai Jing City	Shanghai	301,908	772,885	610,514	31,135	453,333	157,181	106,815	-	2012-2017, in phases	59%
Jingjie Yuan	Shanghai	49,764	125,143	95,594	-	95,594	-	-	-	Completed	59%
Xinzhuan Metro Superstructure	Shanghai	117,825	605,000	385,300	-	-	385,300	272,300	113,000	2018-2022, in phases	21%
American Rock	Beijing	121,499	523,833	454,610	217	450,287	4,323	-	-	Completed	100%
Youngman Point	Beijing	112,700	348,664	295,114	212	247,205	47,909	13,693	-	2007-2016, in phases	100%
West Diaoyutai	Beijing	42,541	250,930	230,801	564	171,733	59,068	-	49,228	2007-2017, in phases	90%
Laochengxiang	Tianjin	244,252	752,883	613,357	109	546,585	66,772	32,600	30,200	2006-2017, in phases	100%
Yoooo.net	Kunshan	34,223	129,498	112,812	-	55,344	57,468	-	-	Completed	31%
Royal Villa	Kunshan	205,017	267,701	222,666	7,430	144,096	78,570	55,965	-	2007-2017, in phases	53%
Urban Development International Center	Wuxi	24,041	193,368	143,862	702	11,232	132,630	-	-	Completed	59%
CBE International Peninsula	Xi'an	2,101,967	3,899,867	3,202,324	40,900	1,804,591	1,397,733	261,101	1,102,228	2008-2017, in phases	72%
Shenyang•U Center	Shenyang	22,651	228,768	181,373	-	-	181,373	181,373	-	2015-2017, in phases	80%
Top City	Chongqing	120,014	786,233	599,664	5,284	353,068	246,596	44,716	-	2008-2016, in phases	100%
Forest Sea	Changsha	679,620	907,194	872,185	1,835	238,133	634,052	-	564,481	2007-2017, in phases	67%
Qi Ao Island	Zhuhai	2,215,516	1,090,000	770,000	-	-	770,000	-	770,000	Planning	100%
China Phoenix Tower	Shenzhen	11,038	106,190	79,391	-	78,343	1,048	-	-	Completed	91%
Total		7,514,568	13,129,480	10,383,589	109,561	5,486,933	4,896,656	1,386,098	2,913,737		

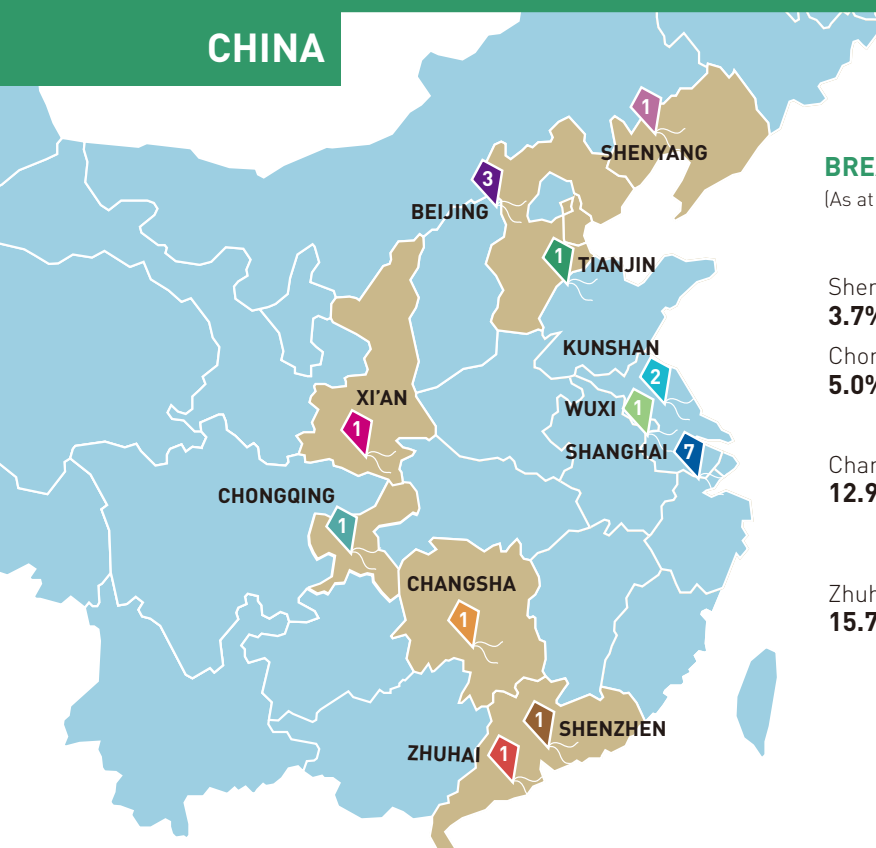
MAJOR INVESTMENT PROPERTIES

Project	City	Type	Lease Term	Planned G.F.A. (sq.m.)
Laochengxiang	Tianjin	Residential, commercial and office	Medium term	2,433 ¹
Shanghai Youth City	Shanghai	Commercial	Medium term	16,349 ¹
Top City	Chongqing	Commercial and car park	Medium term	251,847 ¹
China Phoenix Tower	Shenzhen	Office	Medium term	1,048 ¹
Youngman Point	Beijing	Commercial	Medium term	19,768 ¹
ShanghaiMart ²	Shanghai	Exhibition, trade market, office and car park	Medium term	284,651
Urban Development International Tower ³	Shanghai	Office	Medium term	45,239
Huimin Commercial Tower ⁴	Shanghai	Commercial	Medium term	13,839
Others	Shanghai	Commercial and office	Medium term	9,249
Total				644,423

Notes:

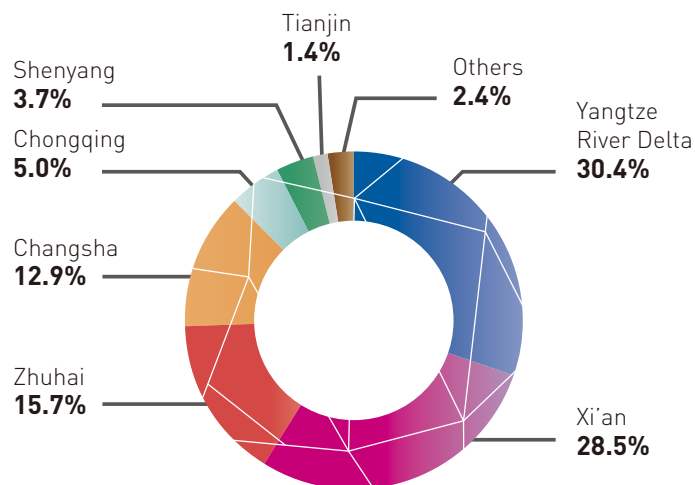
1. Included on page 12 of this interim report
2. Address: No. 2299, Yan'an Road West, Changning District, Shanghai
3. Address: No. 355, Hongqiao Road, Xuhui District, Shanghai
4. Address: No. 123, Tianyaoqiao Road, Xuhui District, Shanghai

CHINA



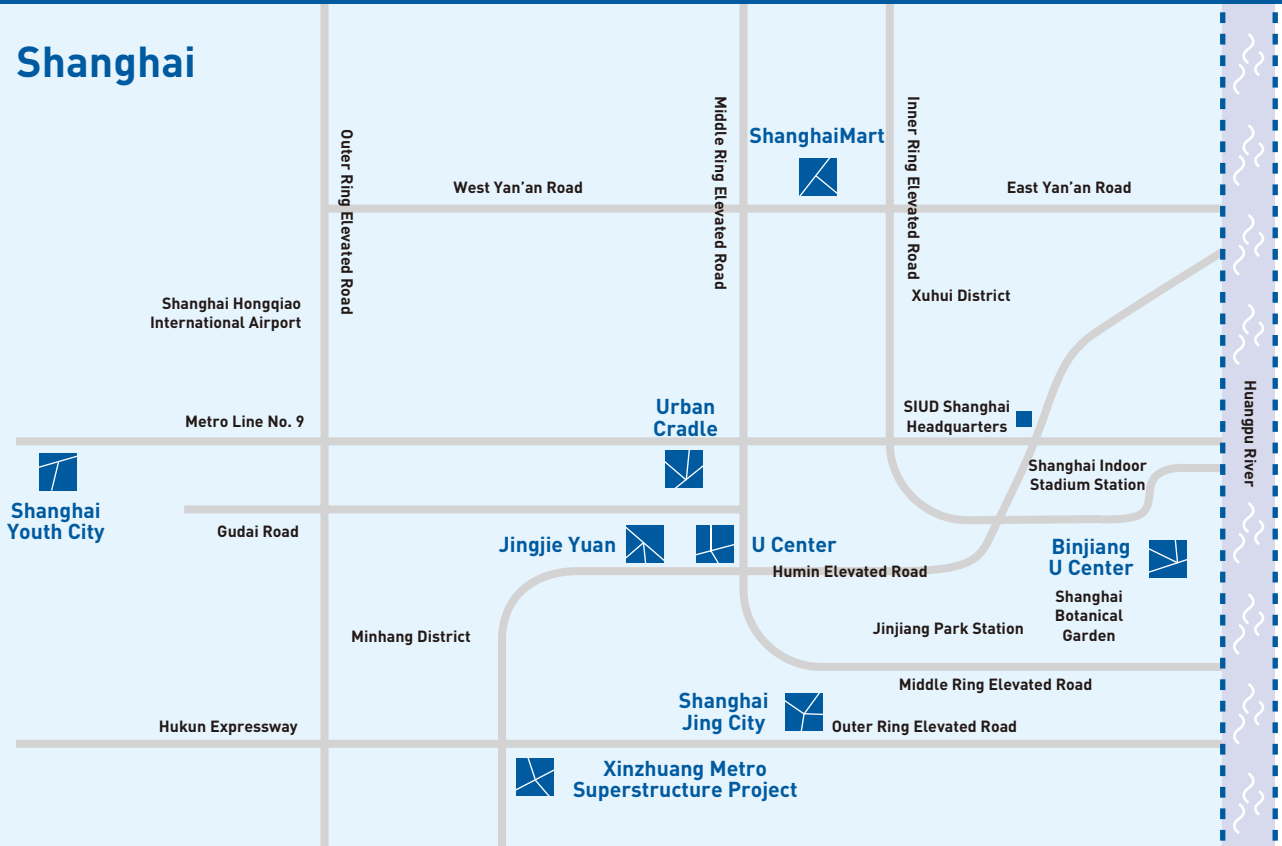
BREAKDOWN OF G.F.A. FOR FUTURE SALE

(As at 30 June 2015)



KEY PROJECT INTRODUCTION

Shanghai



Urban Cradle

Feature:

The project is located in Gumei, Minhang District, Shanghai, west of Lianhua Road, east of Hechuan Road, north of Gudai Road and south of Pingnan Road, less than 700 meters from the middle ring line. The area is a major focal point for large scale residential development in the "10th Five-Year Plan" of Shanghai. The project spans a total site area of about 908,950 sq.m. with a total construction area of about 1.14 million sq.m., including about 770,000 sq.m. of residences, close to nearly 220,000 sq.m. of underground space and more than 100,000 sq.m. for accommodating amenities for the estimated over 20,000 residents. Urban Cradle is an all-engulfing showcase of architectural forms and brilliant products including international-grade apartments, standalone villas, garden houses, deluxe mansions, modern commercial premises and green landscapes, bringing comfortable and stylish living together with commerce, entertainment, culture, education, and business and leisure pursuits.

Address:

No. 932,
Wanyuan Road,
Minhang District,
Shanghai

Category:

Residence/
Commerce





Artist's Impression

Binjiang U Center

Feature:

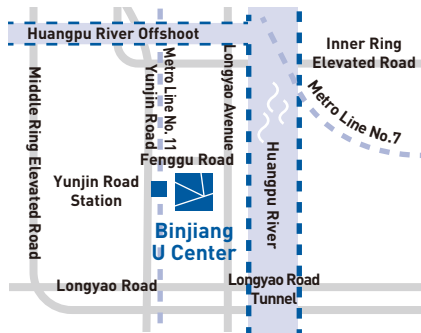
Facing Huangpu River in Shanghai, Binjiang U Center is situated at the business hub of Binjiang, Xuhui District and is planned for composite commercial usage, which will be built as property partly for sales and held for rental respectively. The surrounding view of the project is glorious. Also, the transportation network is well established as the project is adjacent to Longyao Road Tunnel that leads to Pudong, coupled with the Yunjin Road Station of metro line 11 is now in use.

Address:

Xuhui Binjiang,
Shanghai

Category:

Office/
Commerce



Artist's Impression

U Center

Feature:

U Center, primarily located at the intersection of Xuhui and Minhang District, enjoys location advantage, mature amenities and transportation network support with access to, the Lianhua Road Station on Shanghai Metro Line 1 and the Middle Ring Line, and also the Humin Super Highway. It is blessed with the consuming power of an about 600,000 strong permanent population within a three kilometer radius and there are the Xujiahui business district and Caohejing New Technology Development Zone within the eight kilometer radius. The project has a total construction area of about 388,125 sq.m., approximately 100,000 sq.m. of which will be A-grade offices with LEED-CS certification. It will also home a more than 36,000 sq.m. 5-star hotel, an over 110,000 sq.m. commercial complex and a 57,000 sq.m. urban park on the south side, all of vanguard designs taking care of every need of occupants.

Address:

Meilong Town,
Minhang District,
Shanghai

Category:

Office/Commerce/
Hotel





Artist's Impression

Xinzhuang Metro Superstructure

Feature:

In a mature neighborhood with convenient transportation support, the project is right at the terminus of Shanghai metro lines 1 and 5. Residential premises, apartment offices, offices, a hotel, commercial premises and related facilities are covered in the project plan.

Address:

Xinzhuang Town,
Minhang District,
Shanghai

Category:

Residence/
Commerce/Hotel/
Office/Apartment
office



ShanghaiMart

Feature:

Located in the emerging Shanghai Hongqiao Economic and Technological Development Zone, ShanghaiMart is uniquely positioned with Gubei Road and Hongqiao Road on its west, Yan'an Road on its south as well as the Hongqiao consulate area on its north. Situated next to the Inner Ring Road and the exit of an elevated expressway, ShanghaiMart is only a 10-minute drive to the "Hongqiao Comprehensive Transportation Hub", which is a convenient transport network assembling numerous transportation routes, including inter-city high speed railway, maglev trains, metro lines, airport and city buses.

With a total G.F.A. of 284,651 sq.m., ShanghaiMart comprises three main buildings: the Mart, Expo and Tower. As a super trading market integrating the exhibition, trades, office and information functions, ShanghaiMart offers excellent world-class facilities and services to domestic and international merchants and professional buyers.

Address:

2299 West
Yan'an Road,
Shanghai

Category:

Exhibition/
Commerce/Office





Shanghai Jing City

Feature:

The project is an affordable housing project approved by Shanghai Bureau of Housing Security and Housing Administration. It is a large scale indemnificatory housing project on the list of among major construction projects of Shanghai in 2009. In Meilong Town, Minhang District, the project is on an about 301,908 sq.m. site with construction area totaling about 610,514 sq.m. It will consist of high-rise buildings of 18 to 33 floors and become a major all-encompassing affordable housing community with educational, medical and health care and other community service facilities.

Address:

Lane 266,
Zhumei Road,
Shanghai

Category:

Residence/
Commerce



Shanghai Youth City

Feature:

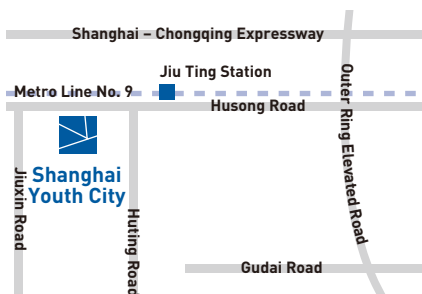
The project is 20 kilometers from downtown Shanghai above Jiuting Station on metro line 9. The station is the first stop of the metro line in Songjiang District where major roads crisscross and business movers and shakers and crowds gather, a high traffic hub in southwest Shanghai. The project comprises eight petite LOFT apartment blocks, an office building, a deluxe boutique apartment building standing on top of an arcade of shops. The project has three phases. Phase I and II of the project had all been sold out and Phase III is in the stage of sale.

Address:

No. 1519,
Husong Road,
Jiuting Town,
Songjiang District,
Shanghai

Category:

Commerce/
Office





Beijing

American Rock

Feature:

Right next to the central business district (“CBD”), the project has its first phase targeting white-collar customers, attracting them with a host of design novelties. It is an avant product with a strong sense of contemporary style. Offices are included in Phase II to provide work spaces for many fast growing businesses in the eastern part of the city. Except for a small number of parking spaces, the project is completely developed and sold out.

Address:

No. 16,
Baiziwan Road,
Chaoyang District,
Beijing

Category:

Residence/
Commerce



Youngman Point

Feature:

At the intersection of Qingnian Road and North Chaoyang Road in Chaoyang District, the project stands opposite Chaoyang Joy City – a major commercial complex in Chaoyang, and is only 3.8 kilometers away from the CBD. With green belts on the north and a stretch of quiet water on the south, the project presents unique scenic pleasures to its inhabitants. The project has three phases. Phase I and II had been completed and sold out and Phase III had begun development.

Address:

No. 2,
Middle Lane
Ganluyuan,
Qingnian Road,
Chaoyang District,
Beijing

Category:

Residence/
Commerce





Artist's Impression

Address:

No. 1 and
No. 2 Section,
West Diaoyutai
Village,
Haidian District,
Beijing

Category:

Residence



West Diaoyutai

Feature:

Located in the west third ring, on the east and north side of Kunyu River and west to the 137-hectare Yuyuantan Park, the project enjoys a 67-hectare expanse of magnificent aquatic scenes, the largest in Beijing where water is a scarce resource, giving it uniqueness and a touch of supremacy. The project has deluxe apartments with river views as its core products aiming to appeal to the affluent on the high-end. The project has three phases. Phase I and II had been completed and sold out and preparation work has begun for Phase III.

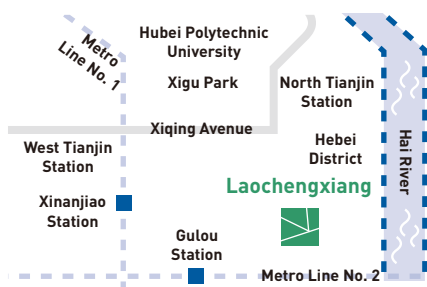


Address:

Laochengxiang,
Nankai District,
Tianjin

Category:

Residence/
Commerce/
Office



Tianjin

Laochengxiang

Feature:

In the traditional city center of Tianjin, the project is a major community with location advantage, comprising residences, commercial premises and offices. Its well-knitted cluster of buildings has become a landmark of the city.



Shenyang

Shenyang • U Center

Feature:

The project is in the most prosperous business district downtown Shenyang – south of Taiyuan Street business district, with profound history and deep commercial roots. The integrated real estate complex offers appealing choices in shopping, food and beverage, leisure pleasure, entertainment, offices for work and luxurious apartments, making it an icon of the city. When completed, the project together with North Taiyuan Street and the existing Zhonghua Road business area will see the birth of the larger Taiyuan Street Commercial Area.

Address:

South
Taiyuan Street,
Heping District,
Shenyang

Category:

Commerce/Office/
Serviced
Apartment



Kunshan

Yooou.net

Feature:

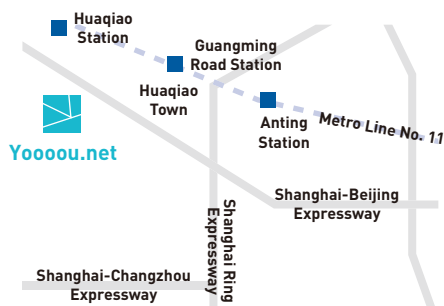
Located in the centre of Huaqiao International Commercial City and adjoining the west gate of Shanghai, the project is less than 25 kilometers from downtown Shanghai and can be reached directly riding the Shanghai – Nanjing high-speed railway and Shanghai Metro Line No. 11. With four youthful components – commerce, SOHO Studio, Entrepreneur Incubator and Office, it stands out as a community where young and intellectual industries such as computer games, entertainment and e-commerce can thrive.

Address:

No. 258,
Lvdi Avenue,
Huaqiao Town,
Kunshan

Category:

Commerce/Office





Royal Villa

Feature:

The project is located in Zhoushi Town of Kunshan City, Jiangsu, the core of the administration center in northern Kunshan. Neighboring the Kunshan Ecological and Sports Park, it comprises 18 high-rise apartment buildings and 92 standalone villas.

Address:

No. 859,
East Yingbin Road,
Kunshan (near
Changjiang Road)

Category:

Residence



Wuxi

Urban Development International Center

Feature:

The project is an icon at the heart of the Liyuan Economic Development Zone, the new axis of Wuxi. It is only 5 kilometers from the center of the city with Lihu Lake Scenic Spot, Lihu Central Park and Bogong Island in its vicinity to enjoy. The area is well developed, equipped with all essential facilities and convenient transportation choices. The integrated complex comprises an international five-star hotel, serviced apartments, a 5A-grade office building and a commercial center.

Address:

Intersection of
Yinxu Road and
Taihu Avenue,
Binhu District,
Wuxi, Jiangsu

Category:

Commerce/Hotel/
Office/Service
Apartment





Xi'an

CBE International Peninsula

Feature:

In the heart of Xi'an Chanba Ecotope, the project lies where the Chan River and Ba River meet. The project with more than 2,000,000 square meters in terms of site area is the largest eco-district in northwestern China. The area has been well planned and is developing rapidly, enjoying convenient access to road networks and public transports including Metro Line 3 which will soon commence operation.

It is the home of the Euro-Asia Economic Forum as well as the Guanyuntan national wetland park and was where the 2011 International Horticultural Exposition took place, asserting its significance in the development of Xi'an. The project has 12 land parcels in the plan to cater to diverse functions including Kempinski Hotel where the Euro-Asia Economic Forum will permanently base and related necessary facilities completed or soon to be completed to meet community business requirements and educational, medical and shopping needs.

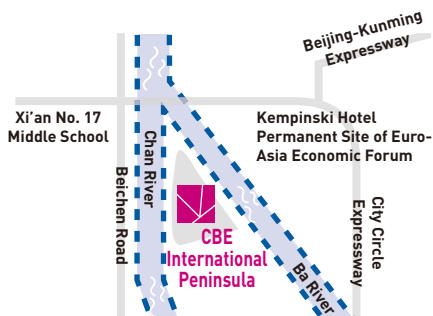
To demonstrate the premium geographical location of the project, a new brand called “自然界” has been introduced into the project for sale as a new property project starting from the second half of 2014.

Address:

200 meters east to Chanhe River, Chanba Avenue, Chanba Ecotope, Xi'an

Category:

Residence/Commerce/Hotel



Chongqing

Top City

Feature:

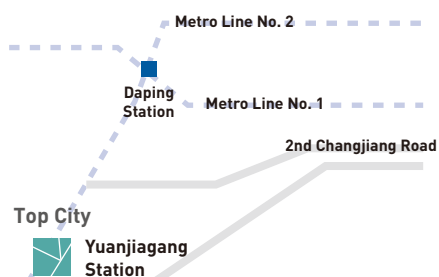
The project is right in the center of Chongqing's main city zone, at the intersection of Jiulongpo District and Yuzhong District with the Chongqing Olympic Sports Center and the city rail line 2 as its neighbors. With prominent business presence, comprising offices and residences, it is currently one of the biggest integrated real estate projects in the main city zone of Chongqing. By the hands of a famed Canadian design company, it embraced diversity, openness and international concept championing the HOPSCA lifestyle of western origins. It is a rare and distinctive metropolis complex that stands out in Chongqing.

Address:

No. 1, Aoti Road, Yuanjiagang, Jiulongpo District, Chongqing

Category:

Residence/Commerce/Office





Changsha

Forest Sea

Feature:

The project not only shares the same area as Wangcheng District, but is also in the Waterfront New Town, a major development focus of the government. Leifeng Avenue and Xiang River View Avenue (Xiaoxiang Avenue) are on its east and the ecological technology industrial park area borders with it on the south. The project, which will serve a strong population of community businesses, is only about 200 meters from the Wangcheng old town on the west and is just on the opposite of the road of the new Wangcheng District Government to its north. Positioned as a million square meter ecological new town, the project has adopted innovative design concept, possessing all required supporting facilities while keeping green landscapes at an overall ratio of more than 40%. Its constituents include high-rise apartment buildings with scenic views, elevator-served garden houses, townhouses and elegant mixed design houses, all in pure Mediterranean architectural styles. They come together to form a low-density residential community that promises high comfort.

Address:

Forest Sea Building 1,
West Gaoqiao Avenue,
Gaotangling Town,
Wangcheng District,
Changsha

Category:

Residence/
Commerce



Artist's Impression

Zhuhai

Qi'ao Island

Feature:

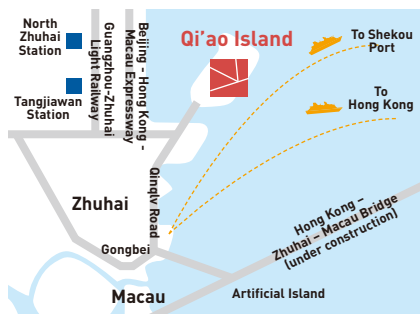
On the east side of a planned main road (Qi'ao East Line Road) of Qi'ao Island, the project is about 20 kilometers from downtown. It is in preliminary planning stage and will be developed into a large eco-community with hotels, high-end residences and special businesses.

Address:

East side of
Qi'ao East Line Road,
Qi'ao Island, Tangjia
High-tech Zone,
Zhuhai, overlooking
Wangchiling
Mountain Ranges and
surrounding areas

Category:

Residence/
Commerce/Hotel





Shenzhen

China Phoenix Tower

Feature:

The project is in the heart of Futian District served by Shennan Avenue, a major road in Shenzhen. It is a joint endeavor of the Group and another of its major shareholder Phoenix Television Holdings Co., Ltd. The project consists of an office building, a commercial/residential building and a shopping arcade, and has been completed and sold out.

Address:

No. 2008,
Shennan Road,
Futian District,
Shenzhen

Category:

Residence/
Commerce/
Office



OTHER INFORMATION

INTERIM DIVIDEND

The board of directors of the Company (the “**Board**”) does not recommend the payment of any interim dividend for the six months ended 30 June 2015 (for the six months ended 30 June 2014: Nil).

PURCHASE, SALE OR REDEMPTION OF THE 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 June 2015.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company’s Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to the existing shareholders of the Company (the “**Shareholders**”).

CORPORATE GOVERNANCE

During the six months ended 30 June 2015, the Company has complied with the code provisions as set out in the Corporate Governance Code (the “**Code**”) contained in Appendix 14 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) except as noted hereunder.

Code Provision A.2.1 of the Code

The code provision A.2.1 of the Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Following the re-designation of Mr. Ji Gang as the Chairman of the Board with effect from 2 February 2015, there is a deviation from code provision A.2.1 as Mr. Ji Gang also performs the role of chief executive of the Group. The Board is aware of the said deviation but considers that this arrangement is appropriate and in the best interests of the Group as it helps to maintain the continuity of the Group’s policies and strategies and the stability of the operations of the Group. The Board also considers that such arrangement would not impair the balance of power and authority between the Board and the management of the Company as the Board does meet regularly on a quarterly basis to review the operations of the Group and to consider other major matters affecting the business development and operations of the Group. Going forward, the Board will periodically review the effectiveness of this arrangement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own code of conduct regarding dealings in the securities of the Company by the Directors and the relevant employees (who are likely to be in possession of inside information relating to the Company or its securities) (the “**Guidelines for Securities Transactions by Relevant Employees**”) on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code and its code of conduct regarding directors’ securities transactions throughout the six months ended 30 June 2015.

In addition, no incident of non-compliance of the Guidelines for Securities Transactions by Relevant Employees by the relevant employees of the Group was noted by the Company throughout the six months ended 30 June 2015.

FACILITIES AGREEMENT WITH SPECIFIC PERFORMANCE COVENANT ON THE CONTROLLING SHAREHOLDER

As disclosed in the Company's announcement dated 10 July 2014, the Company (as the borrower) entered into a facilities agreement (the "**Facilities Agreement**") with certain banks (as the lenders) on 10 July 2014 for dual currency term loan facilities of HK\$1,826,000,000 and US\$65,000,000 (the "**Facilities**") for a term of 36 months to finance repayment of the 2014 due US\$400,000,000 senior notes, payment of financing charges and general corporate purposes of the Company. Pursuant to the terms of the Facilities Agreement, if, among others, Shanghai Industrial Holdings Limited ("**SIHL**"), the controlling shareholder of the Company, ceases to own at least 51% of the beneficial shareholding interest in the issued share capital of, and carrying 51% of the voting rights in the Company, or ceases to have management control over the Company, all loans together with accrued interest and any other amounts accrued under the Facilities may become immediately due and payable. As at the date of this interim report, SIHL is interested in approximately 70.99% of the voting share capital of the Company.

Other than as disclosed above, there are no other events which are required to be disclosed by the Company under Rule 13.18 of the Listing Rules.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The audit committee of the Company (the "**Audit Committee**") currently consists of three independent non-executive Directors, namely Mr. Li Ka Fai, David (Committee Chairman), Mr. Doo Wai-Hoi, William and Mr. Fan Ren Da, Anthony. The Audit Committee is primarily responsible for reviewing the accounting principles and practices adopted by the Group; reviewing the financial reporting process and internal controls system of the Group; and reviewing the independence and objectivity of the external auditor, the scope of audit services and related audit fees payable to the external auditor. During the six months ended 30 June 2015, the Audit Committee has reviewed the independence and objectivity of the external auditor, the scope of audit services and related audit fees payable to the external auditor for the Board's approval. The Audit Committee has also reviewed the unaudited interim financial statements of the Group for the six months ended 30 June 2015 and discussed with the management and the auditor of the Company on the accounting principles and practices adopted by the Group, internal controls matter, final results and financial statements and the terms of reference for the Audit Committee.

The Group's external auditor, Messrs. Deloitte Touche Tohmatsu, has reviewed the Company's unaudited condensed consolidated financial statements for the six months ended 30 June 2015 in accordance with the 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.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2015, the interests and short positions of the Directors and chief executives of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

(1) Long positions in the shares and underlying shares of the Company

Name of Directors	Capacity	Number of issued ordinary shares held	Number of underlying shares subject to options granted ¹	Approximate percentage of the issued share capital of the Company
Ji Gang	Beneficial owner	150,000	–	0.00%
Zhou Jun	Beneficial owner	–	7,000,000	0.15%
Yang Biao	Beneficial owner	–	7,000,000	0.15%
Ye Weiqi	Beneficial owner	–	6,000,000	0.12%
Huang Fei	Beneficial owner	–	6,000,000	0.12%
Doo Wai-Hoi, William	Beneficial owner	–	1,000,000	0.02%
Wong Ying Ho, Kennedy ²	Beneficial owner	–	1,000,000	0.02%
Fan Ren Da, Anthony	Beneficial owner	–	1,000,000	0.02%
Li Ka Fai, David	Beneficial owner	–	1,000,000	0.02%

Notes:

- These interests represent the interests in the underlying shares in respect of share options granted by the Company to these Directors as beneficial owners, details of which are set out in the section headed "SHARE OPTION SCHEME" of this interim report.
- Dr. Wong Ying Ho, Kennedy resigned as an independent non-executive Director, a member of the audit committee and the chairman of the nomination committee of the Company with effect from 3 August 2015.

(2) Long positions in the shares and underlying shares of the associated corporations of the Company

SIHL

Name of Directors	Capacity	Number of issued ordinary shares held	Number of underlying shares subject to options granted ¹	Approximate percentage of the issued share capital
Ji Gang	Beneficial owner	–	900,000	0.08%
Zhou Jun	Beneficial owner	195,000	1,350,000	0.14%
Yang Jianwei	Beneficial owner	–	730,000	0.07%

Note:

1. These interests represent the interests in the underlying shares of SIHL in respect of the share options (which are unlisted and physically settled equity derivatives) granted by SIHL under its share option scheme. Particulars of such share options and their movements during the six months ended 30 June 2015 (the "Period") were as follows:

Name of Directors	Date of grant	Exercise price per share HK\$	Outstanding as at 1.1.2015	Granted during the Period	Exercised during the Period	Cancelled/Lapsed during the Period	Outstanding as at 30.06.2015
Ji Gang	2 November 2010	36.60	550,000	-	-	-	550,000
	20 September 2011	22.71	350,000	-	-	-	350,000
Zhou Jun	2 November 2010	36.60	750,000	-	-	-	750,000
	20 September 2011	22.71	600,000	-	-	-	600,000
Yang Jianwei	2 November 2010	36.60	450,000	-	-	-	450,000
	20 September 2011	22.71	280,000	-	-	-	280,000

Share options granted in November 2010 under SIHL's share option scheme are exercisable during the period from 3 November 2010 to 2 November 2015 in three batches, being:

- 3 November 2010 to 2 November 2011 (up to 40% of the share options granted are exercisable)
- 3 November 2011 to 2 November 2012 (up to 70% of the share options granted are exercisable)
- 3 November 2012 to 2 November 2015 (all share options granted are exercisable)

Share options granted in September 2011 under SIHL's share option scheme are exercisable during the period from 21 September 2011 to 20 September 2016 in three batches, being:

- 21 September 2011 to 20 September 2012 (up to 40% of the share options granted are exercisable)
- 21 September 2012 to 20 September 2013 (up to 70% of the share options granted are exercisable)
- 21 September 2013 to 20 September 2016 (all share options granted are exercisable)

Shanghai Pharmaceuticals Holding Co., Ltd.

Name of Director	Capacity	Number of issued ordinary shares held	Number of underlying shares subject to options granted	Approximate percentage of the issued share capital
Ji Gang	Beneficial owner	50,000	-	0.01%

Save as disclosed herein, as at 30 June 2015, none of the Directors or chief executives of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) and which were required to be entered into the register required to be kept under section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

Pursuant to ordinary resolutions passed by the Shareholders at its special general meeting held on 12 December 2002, the Company adopted a share option scheme (the “Share Option Scheme”).

As at 30 June 2015, the Company granted 57,750,000 shares options to subscribe for up to a total of 57,750,000 ordinary shares of nominal value of HK\$0.04 each in the capital of the Company under the Share Option Scheme, representing approximately 1.20% of the issued share capital of the Company as at 30 June 2015. The Share Option Scheme expired on 11 December 2012.

The particulars and movements of the share options to subscribe for the Company’s shares under the Share Option Scheme during the six months ended 30 June 2015 were as follows:

Name of categories	Date of grant	Exercise price per share HK\$	Exercise period ¹	Outstanding as at 1.1.2015	Granted during the Period	Exercised during the Period	Cancelled/ Lapsed during the Period	Outstanding as at 30.06.2015
Directors								
Ni Jianda ²	24 September 2010	2.98	24 September 2010 to 23 September 2020	8,000,000	-	-	-	8,000,000
Zhou Jun	24 September 2010	2.98	24 September 2010 to 23 September 2020	7,000,000	-	-	-	7,000,000
Yang Biao	24 September 2010	2.98	24 September 2010 to 23 September 2020	7,000,000	-	-	-	7,000,000
Ye Weiqi	24 September 2010	2.98	24 September 2010 to 23 September 2020	6,000,000	-	-	-	6,000,000
Huang Fei	24 September 2010	2.98	24 September 2010 to 23 September 2020	6,000,000	-	-	-	6,000,000
Doo Wai-Hoi, William	24 September 2010	2.98	24 September 2010 to 23 September 2020	1,000,000	-	-	-	1,000,000
Wong Ying Ho, Kennedy ³	24 September 2010	2.98	24 September 2010 to 23 September 2020	1,000,000	-	-	-	1,000,000
Fan Ren Da, Anthony	24 September 2010	2.98	24 September 2010 to 23 September 2020	1,000,000	-	-	-	1,000,000
Li Ka Fai, David	24 September 2010	2.98	24 September 2010 to 23 September 2020	1,000,000	-	-	-	1,000,000
Senior management and employees	24 September 2010	2.98	24 September 2010 to 23 September 2020	19,750,000	-	-	-	19,750,000
Total				57,750,000	-	-	-	57,750,000

Notes:

1. Share options granted in September 2010 under the Share Option Scheme are exercisable during the period from 24 September 2010 to 23 September 2020 in three batches, being:
 - 24 September 2010 to 23 September 2011 (up to 40% of the share options granted are exercisable)
 - 24 September 2011 to 23 September 2012 (up to 70% of the share options granted are exercisable)
 - 24 September 2012 to 23 September 2020 (all share options granted are exercisable)
2. Mr. Ni Jianda resigned as the Chairman of the Board, an executive Director and a member of the nomination committee of the Company with effect from 2 February 2015.
3. Dr. Wong Ying Ho, Kennedy resigned as an independent non-executive Director, a member of the audit committee and the chairman of the nomination committee of the Company with effect from 3 August 2015.

Pursuant to ordinary resolutions passed by the Shareholders at its annual general meeting held on 16 May 2013 (the "**Adoption Date**"), the Company adopted a new share option scheme (the "**New Share Option Scheme**").

Reference was made to the circular of the Company dated 16 April 2013 in relation to the adoption of the New Share Option Scheme (the "**Circular**"). Unless the context requires otherwise, terms defined in the Circular shall have the same meanings when used in this interim report. As disclosed in the Circular, the New Share Option Scheme will be valid for ten years since the Adoption Date. The purpose of the New Share Option Scheme is to enable the Company to grant options to the Eligible Participants, as incentives and/or rewards for their contributions to the Group. The Board considers that the New Share Option Scheme will provide the Eligible Participants with the opportunity to acquire shares of the Company and to encourage the Eligible Participants to work towards enhancing the value of the Company and for the benefit of the Company and its shareholders as a whole. The provisions of the New Share Option Scheme comply with the requirements of Chapter 17 of the Listing Rules. Further details of the New Share Option Scheme can be found in the Circular.

The Company had not granted any share options under the New Share Option Scheme since the Adoption Date up to 30 June 2015.

Save as disclosed herein, the Company had not granted any share options to any persons as required to be disclosed under Rule 17.07 of the Listing Rules during the six months ended 30 June 2015.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2015, substantial shareholders and other persons (other than the Directors and chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO and entered in the register required to be kept by the Company pursuant to Section 336 of the SFO, or otherwise notified to the Company were as follows:

Ordinary shares of HK\$0.04 each of the Company

Name of substantial shareholders	Long/short positions	Capacity	Number of shares of the Company interested	Approximate percentage of the issued share capital of the Company
SIHL	Long	Held by controlled corporation	3,415,883,000 ^{1,2}	70.99%
SIIC	Long	Held by controlled corporation/Beneficial owner	3,435,037,000 ^{1,2,3}	71.39%

Notes:

- 3,365,883,000 shares of the Company were beneficially held by Smart Charmer Limited. 50,000,000 shares of the Company are deemed to be held by Novel Good Limited under the pledge described in note 2 below. Smart Charmer Limited and Novel Good Limited are both wholly-owned subsidiaries of SIHL.
- These interests include 50,000,000 shares of the Company (short positions) held by Invest Gain Limited (a company beneficially and wholly owned by Mr. Li Song Xiao who ceased to be a substantial shareholder of the Company during the year ended 31 December 2011) which was pledged to Novel Good Limited. Therefore, SIHL and Shanghai Industrial Investment (Holdings) Company Limited ("SIIC") are deemed or taken to be interested in these 50,000,000 shares.
- SIIC through its subsidiaries, namely Shanghai Investment Holdings Limited, SIIC Capital (B.V.I.) Limited, SIIC Treasury (B.V.I.) Limited, Shanghai Industrial Financial (Holdings) Company Limited, South Pacific International Trading Limited, SIIC Trading Company Limited, The Tien Chu Ve Tsin (Hong Kong) Company Limited, Billion More Investments Limited, SIIC GM Development Funds Limited, South Pacific Hotel (Hong Kong) Limited and SIIC CM Development Limited held approximately 57.70% of the shares of SIHL. Therefore, SIIC is deemed or taken to be interested in the 3,415,883,000 shares held by SIHL for the purpose of the SFO.

Save as disclosed herein, as at 30 June 2015, the Company had not been notified by any persons (other than the Directors and chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in information of Directors are set out as follows:

Mr. Doo Wai-Hoi, William, an independent non-executive director of the Company, was re-designated from executive director to non-executive director of Lifestyle International Holdings Limited, a company listed on the Stock Exchange with stock code of 1212, with effect from 11 June 2015.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

APPRECIATION

I would like to express my sincere gratitude to the Board, our management and all our staff for their dedicated efforts as well as to our customers, suppliers, business partners and shareholders for their continued enthusiastic support to our Group.

By order of the Board of
Shanghai Industrial Urban Development Group Limited
Ji Gang
Chairman

Hong Kong, 17 August 2015

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



**TO THE BOARD OF DIRECTORS OF
SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LIMITED**

上海實業城市開發集團有限公司

(incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Shanghai Industrial Urban Development Group Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 34 to 56, which comprise the condensed consolidated statement of financial position as of 30 June 2015 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Main Board Listing 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" ("**HKAS 34**") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements 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.

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 these condensed consolidated financial statements 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.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

17 August 2015

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2015

	NOTES	Six months ended 30 June	
		2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
Revenue	3	2,173,156	3,167,095
Cost of sales		(1,444,365)	(2,197,199)
Gross profit		728,791	969,896
Other income		69,991	60,304
Fair value changes on investment properties		(59,061)	(65,940)
Other expenses, gains and losses		(11,472)	100,758
Distribution and selling expenses		(68,911)	(89,536)
General and administrative expenses		(224,895)	(196,632)
Gain on disposal of subsidiaries	10	444,995	–
Finance costs	4	(419,938)	(356,425)
Share of losses of associates		(5,923)	(6,048)
Profit before taxation		453,577	416,377
Income tax	5	(265,334)	(399,570)
Profit for the period	6	188,243	16,807
Other comprehensive expense			
Item that will not be reclassified to profit or loss:			
Exchange differences arising on translation into presentation currency		–	(422,474)
Total comprehensive income (expense) for the period		188,243	(405,667)
Profit (loss) for the period attributable to:			
– Owners of the Company		114,005	(148,190)
– Non-controlling interests		74,238	164,997
		188,243	16,807
Total comprehensive income (expense) attributable to:			
– Owners of the Company		114,005	(375,199)
– Non-controlling interests		74,238	(30,468)
		188,243	(405,667)
Earnings (loss) per share	7		
– Basic (HK cents)		2.37	(3.08)
– Diluted (HK cents)		2.37	(3.08)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	NOTES	30 June 2015 HK\$'000 (unaudited)	31 December 2014 HK\$'000 (audited)
Non-current assets			
Investment properties	8	12,269,745	12,320,845
Property, plant and equipment	8	2,155,053	2,197,490
Prepaid lease payments		248,994	252,445
Intangible assets		63,734	63,734
Available-for-sale investments		142,341	128,288
Interests in associates		1,286,018	1,291,941
Interest in a joint venture		65,718	65,718
Other receivable	11	156,444	–
Restricted and pledged bank deposits		99,810	58,904
Deferred tax assets		319,805	289,580
		16,807,662	16,668,945
Current assets			
Inventories		34,690,049	32,150,353
Trade and other receivables	11	991,417	940,271
Amounts due from related companies	9	15,859	98,089
Prepaid lease payments		5,381	5,381
Prepaid income tax and land appreciation tax		189,659	187,462
Financial assets at fair value through profit or loss		6,501	3,294
Pledged bank deposits		281,392	442,284
Bank balances and cash		5,870,116	6,424,058
		42,050,374	40,251,192
Assets classified as held-for-sale		–	646,566
		42,050,374	40,897,758

Condensed Consolidated Statement of Financial Position

	NOTES	30 June 2015 HK\$'000 (unaudited)	31 December 2014 HK\$'000 (audited)
Current liabilities			
Trade and other payables	12	6,519,292	5,897,521
Amounts due to related companies	9	2,648,822	2,008,960
Amounts due to associates		72,998	71,978
Consideration payables for acquisition of subsidiaries		325,437	763,940
Pre-sale proceeds received for sale of properties		1,959,474	2,400,586
Bank and other borrowings	13	3,180,173	7,838,393
Income tax and land appreciation tax payables		2,050,882	2,109,169
Dividend payable		30,993	6,423
Dividend payable to non-controlling shareholders		268,633	268,658
		17,056,704	21,365,628
Liabilities classified as held-for-sale		-	28
		17,056,704	21,365,656
Net current assets		24,993,670	19,532,102
Total assets less current liabilities		41,801,332	36,201,047
Non-current liabilities			
Bank and other borrowings	13	17,903,096	12,289,532
Deferred tax liabilities		3,739,825	3,796,683
		21,642,921	16,086,215
		20,158,411	20,114,832
Capital and reserves			
Share capital	14	192,461	192,461
Reserves		12,353,406	12,292,328
Equity attributable to owners of the Company		12,545,867	12,484,789
Non-controlling interests		7,612,544	7,630,043
		20,158,411	20,114,832

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2015

	Attributable to owners of the Company												
	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000 (note (iv))	Share option reserve HK\$'000	Other revaluation reserve HK\$'000 (note (i))	Statutory reserve HK\$'000	Shareholder's contribution/ merger reserve HK\$'000 (note (iii))	Other reserve HK\$'000 (note (iii))	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 1 January 2014 (audited)	192,461	10,325,453	-	66,842	52,526	161,128	2,214,569	-	1,671,653	(2,065,662)	12,618,970	7,164,307	19,783,277
(Loss) profit for the period	-	-	-	-	-	-	-	-	-	(148,190)	(148,190)	164,997	16,807
Exchange differences arising on translation into presentation currency	-	-	-	-	-	-	-	-	(227,009)	-	(227,009)	(195,465)	(422,474)
Total comprehensive expense for the period	-	-	-	-	-	-	-	-	(227,009)	(148,190)	(375,199)	(30,468)	(405,667)
At 30 June 2014 (unaudited)	192,461	10,325,453	-	66,842	52,526	161,128	2,214,569	-	1,444,644	(2,213,852)	12,243,771	7,133,839	19,377,610
At 1 January 2015 (audited)	192,461	10,325,453	-	66,842	52,526	164,686	2,214,569	(47,317)	1,423,608	(1,908,039)	12,484,789	7,630,043	20,114,832
Profit and total comprehensive income for the period	-	-	-	-	-	-	-	-	-	114,005	114,005	74,238	188,243
Transfer upon disposal of subsidiaries	-	-	-	-	-	-	-	-	(22,010)	22,010	-	-	-
Transfer to distributable reserve	-	(210,000)	210,000	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	9,158	-	-	-	(9,158)	-	-	-
Dividends declared (note 20)	-	-	(52,927)	-	-	-	-	-	-	-	(52,927)	-	(52,927)
Dividends declared to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(141,725)	(141,725)
Contribution from a non-controlling interest upon establishment of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	49,988	49,988
At 30 June 2015 (unaudited)	192,461	10,115,453	157,073	66,842	52,526	173,844	2,214,569	(47,317)	1,401,598	(1,781,182)	12,545,867	7,612,544	20,158,411

Condensed Consolidated Statement of Changes in Equity

Notes:

- (i) The other revaluation reserve comprises the difference between the fair value, net of deferred tax, and the carrying amount of additional interest in associates being acquired and become subsidiaries of the Company. This reserve will be recognised in the profit or loss upon the earlier of the disposal of the subsidiaries or the disposal by the subsidiaries of the assets to which it relates.
- (ii) Merger reserve represents the difference in the fair value of the consideration paid to the parent company, Shanghai Industrial Holdings Limited (“**SIHL**”), for the acquisition of subsidiaries controlled by SIHL and the acquired carrying amount of the subsidiaries at the date of the Group and the subsidiaries acquired became under common control. Shareholder’s contribution represents capital contribution from SIHL and State-Owned Assets Supervision and Administration Commission of Shanghai Xuhui District (“**Xuhui SASAC**”), being non-controlling interest, (based on their respective percentage of equity interest) to a subsidiary of the Group, Shanghai Urban Development (Holdings) Co., Ltd. (“**SUD**”), as paid-in capital in April 2011. Xuhui SASAC holds 41% interests in SUD.
- (iii) Other reserve represents a premium contributed by the owners of the Company on acquiring the remaining 1.0% interests of 上海世界貿易商城有限公司 (“**Shanghai World Trade**”) from the a non-controlling shareholder subsequent to the acquisition of Continental Land Group as defined in note 9 (v). This acquisition, without changing the Group’s control over Shanghai World Trade, was accounted for as an equity transaction. The difference between the fair value of cash consideration of HK\$92,274,000 and 1.0% share of net assets by the non-controlling shareholder of HK\$44,957,000 amounting to HK\$47,317,000 was recognised directly in equity as other reserve and attributable to owners of the Company.
- (iv) In pursuant to the special resolution passed on 27 May 2015, the Company transferred an amount of HK\$210,000,000 from share premium account to contributed surplus account, which increased the distributable reserves of the Company thereby giving the Company a greater flexibility in its dividend policy and making distributions to the shareholders.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2015

	NOTE	Six months ended 30 June	
		2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
Profit before taxation		453,577	416,377
Adjustments for:			
Finance costs		419,938	356,425
Gain on disposal of subsidiaries		(444,995)	–
Other non-cash items		84,177	158,433
Operating cash flows before movements in working capital		512,697	931,235
(Increase) decrease in inventories		(2,462,777)	60,880
Decrease in trade and other receivables		198,792	350,367
Decrease in pre-sale proceeds received on sale of properties		(441,112)	(1,163,151)
Increase (decrease) in trade and other payables		721,746	(806,265)
Other working capital items		1,020	(22,743)
Cash used in operations		(1,469,634)	(649,677)
Income taxes paid		(147,567)	(666,217)
Net cash used in operating activities		(1,617,201)	(1,315,894)
Net cash from investing activities:			
Proceeds from disposal of property, plant and equipment		580	1,392
Proceeds from disposal of investment properties		–	36,248
Proceeds from disposal of assets classified as held-for-sale		–	66,209
Purchase of available-for-sale investments		(14,053)	(28,298)
Purchase of property, plant and equipment and investment properties		(21,136)	(18,134)
Decrease in restricted and pledged bank deposits		119,986	34,265
Advances to related companies		–	(8,666)
Repayments from related companies		82,230	–
Advance to an independent third party		(156,444)	–
Repayments of consideration payables for acquisition of subsidiaries		(438,503)	–
Repayment from an associate		–	18,928
Advance to an associate		–	(88,039)
Net proceeds from disposal of subsidiaries		–	908,131
Net proceeds from disposal of the Disposal Group	10	824,690	–
Interest received		40,141	55,743
		437,491	977,779

Condensed Consolidated Statement of Cash Flows

	NOTE	Six months ended 30 June	
		2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
Net cash from financing activities:			
Dividends paid to non-controlling interests		(141,750)	–
Dividends paid		(28,357)	–
Proceeds from new bank and other borrowings		5,381,421	2,494,439
Repayments of bank and other borrowings		(4,443,978)	(1,773,166)
Advances from related parties		277,574	2,834
Repayments to related companies		(11,857)	–
Capital injection from a non-controlling interest upon establishment of a subsidiary		49,988	–
Increase in amounts due to a related party	9 (ii)	374,145	–
Interest paid		(831,524)	(472,438)
		625,662	251,669
Net decrease in cash and cash equivalents			
		(554,048)	(86,446)
Cash and cash equivalents as at 1 January		6,424,164	5,827,825
Effect of foreign exchange rate changes		–	(92,259)
Cash and cash equivalents as at 30 June, represented by bank balances and cash			
		5,870,116	5,649,120
Analysis of cash and cash equivalents as at 1 January represented by bank balances and cash held by			
– the Group		6,424,058	5,827,825
– the disposal group held-for-sale		106	–
		6,424,164	5,827,825

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2015

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“**HKAS 34**”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

2. PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies and methods of computation used in the preparation of condensed consolidated financial statements for the six months ended 30 June 2015 are the same as those applied in the preparation of the Group’s annual financial statements for the year ended 31 December 2014.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the net amounts received and receivable for goods sold by the Group in the normal course of business to outside customers, net of discounts and sales related taxes for the period. The Group is engaged in the residential and commercial property development, property investment, property management and hotel operation in the People’s Republic of China (the “**PRC**”).

Information reported to the board of directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of performance focuses only on revenue analysis. As no other discrete financial information is available for the assessment of different business activities, no segment information is presented.

4. FINANCE COSTS

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest on:		
Bank and other borrowings wholly repayable within five years	554,771	360,651
Bank and other borrowings not wholly repayable within five years	108,360	29,528
Senior notes	–	174,664
Total borrowing costs	663,131	564,843
Less: Amount capitalised under properties under development for sale	(243,193)	(208,418)
	419,938	356,425

Borrowing costs capitalised during the period arising on the general borrowing pool are calculated by applying a capitalisation rate of 4.98% (six months ended 30 June 2014: 9.1%) per annum to expenditure on qualifying assets.

5. INCOME TAX

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current tax		
– PRC Land Appreciation Tax (“LAT”)	255,383	320,496
– PRC Enterprise Income Tax	52,535	156,181
– Capital gain tax on gain derived from disposal of PRC subsidiaries by non-resident companies	44,499	–
	352,417	476,677
Deferred tax	(87,083)	(77,107)
	265,334	399,570

5. INCOME TAX (CONTINUED)

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

Pursuant to Circular 698 issued by the State Administration of Taxation, the PRC, the tax rate applicable to the capital gain from disposal of PRC entities through transfer of shares in non-resident companies is 10%.

Under the Provisional Regulations of LAT (《中華人民共和國土地增值稅暫行條例》) effective on 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT (《中華人民共和國土地增值稅暫行條例實施細則》) effective from 27 January 1995, all income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, being the proceeds of sale of properties less deductible expenditures including borrowing costs and properties development expenditures in relation to the gains arising from sale of properties in the PRC effective from 1 January 2004, with an exemption provided for property sales of ordinary residential properties (普通標準住宅) if their appreciation values do not exceed 20% of the sum of the total deductible items.

No provision for Hong Kong Profits Tax has been made as the Group’s income neither arises in, nor is derived from, Hong Kong.

Pursuant to the rules and regulations of Bermuda and the British Virgin Islands, the Group is not subject to any income tax in Bermuda and the British Virgin Islands in respect of the six months period ended 30 June 2015 and 2014.

6. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit for the period has been arrived at after charging (crediting) the following items:		
Depreciation of property, plant and equipment	55,365	41,229
Bank interest income (included in other income)	(40,141)	(51,276)
Net foreign exchange loss	14,959	78,650
Waiver of trade payables as compensation for late completion of properties (included in other expenses, gains and losses)	-	(134,574)

7. EARNINGS (LOSS) PER SHARE

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

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Earnings (loss):		
Earnings (loss) for the purposes of calculating basic and diluted earnings (loss) per share		
Profit (loss) for the period attributable to owners of the Company	114,005	(148,190)

	Six months ended 30 June	
	2015	2014
	'000	'000
Number of shares:		
Number of ordinary shares for the purposes of calculating basic and diluted earnings (loss) per share	4,811,523	4,811,523

The calculation of diluted earnings (loss) per share in current and prior period does not assume the exercise of the Company's share options because the exercise price of share options was higher than the average market price for both periods.

8. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the period, the Group incurred approximately HK\$13,175,000 (six months ended 30 June 2014: HK\$15,619,000) on additions to property, plant and equipment.

In addition, during the period, the Group disposed of certain property, plant and equipment with an aggregate carrying amount of approximately HK\$247,000 (six months ended 30 June 2014: HK\$1,738,000) for cash proceeds of HK\$580,000 (six months ended 30 June 2014: HK\$1,392,000), resulting in gain on disposal of approximately HK\$333,000 (six months ended 30 June 2014: loss on disposal of HK\$346,000).

All investment properties of the Group as at 30 June 2015 were fair valued by DTZ Debenham Tie Leung Limited (“**DTZ**”), an independent firm of qualified professional valuers not connected with the Group. DTZ has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The Group’s investment properties were valued individually, on market basis, which conform to the Hong Kong Institute of Surveyors Valuation Standards. The fair values of investment properties being held for capital appreciation or currently without existing lease contracts were arrived at by adopting comparison approach under which the fair values were made reference to comparable sales transactions in relevant markets. The fair values of investment properties being held for earning rental income were arrived at by adopting investment approach which capitalises the net rental income derived from existing tenancies with due allowance for the reversionary potential of the properties. The resulting decrease in fair value of investment properties of HK\$59,061,000 has been recognised directly in profit or loss for the six months ended 30 June 2015 (six months ended 30 June 2014: HK\$65,940,000).

During the six months ended 30 June 2015, the Group has incurred subsequent expenditures of HK\$7,961,000 (six months ended 30 June 2014: HK\$2,515,000) on certain investment properties.

During the six months ended 30 June 2014, the Group disposed of certain investment properties for cash proceeds of HK\$36,248,000.

9. AMOUNTS DUE FROM (TO) RELATED COMPANIES

	30 June 2015 HK\$'000 (unaudited)	31 December 2014 HK\$'000 (audited)
Amounts due from related companies:		
– Non-controlling shareholders (note (iii))	15,859	98,089
Amounts due to related companies:		
– Xuhui SASAC and entities controlled by Xuhui SASAC (note (ii))	770,059	386,268
– An entity controlled by a former controlling shareholder (note (i))	2,466	2,466
– Non-controlling shareholders (note (iii))	521,284	406,626
– Nan Fung Group (note (v))	1,325,401	1,183,988
– SIHL (note (iv))	29,612	29,612
	2,648,822	2,008,960

Notes:

(i) The entity is controlled by Mr. Li Song Xiao, the former controlling shareholder of the Company. The amount is unsecured, interest-free and repayable on demand.

(ii) Xuhui SASAC owns 41% equity interests in SUD and is therefore a non-controlling shareholder of the Group. Xuhui SASAC is a government authority authorised by and established directly under the Shanghai Xuhui District People's Government for supervising and managing state-owned assets in the Xuhui District, the PRC. The entire amounts due to Xuhui SASAC and entities controlled by Xuhui SASAC are unsecured. An amount of approximately HK\$82,479,000 (31 December 2014: approximately HK\$82,479,000) included in the balances as at 30 June 2015 represents loan advanced from an entity controlled by Xuhui SASAC through an entrusted loan agreement administrated by a bank, which carries fixed interest rate at 12.5% (31 December 2014: 12.5%) per annum and is repayable within one year. The remaining balances are interest-free and repayable on demand.

Included in the amounts due to Xuhui SASAC is an amount of approximately HK\$374,145,000 (31 December 2014: nil) representing payables to Xuhui SASAC arising from the disposal of listed equity securities held on its behalf during the six months ended 2015. The securities were disposed of at its fair value of approximately HK\$494,436,000 and an amount of approximately HK\$120,291,000 was retained by the Group for paying the related income tax in respect of this disposal on Xuhui SASAC's behalf.

(iii) The amounts are due from (to) non-controlling shareholders of the Group other than Xuhui SASAC and entities controlled by Xuhui SASAC. The amounts due from non-controlling shareholders as at 30 June 2015 and 31 December 2014 are non-trade in nature, unsecured, interest-free and repayable on demand. Included in the amounts due to non-controlling shareholders as at 30 June 2015 is an amount of approximately HK\$15,971,000 (31 December 2014: HK\$15,971,000) representing loans advanced from non-controlling shareholders through entrusted loan agreements administrated by a bank, which carries variable interest rate at 5% (31 December 2014: 5%) above People's Bank of China Benchmark Lending Rate per annum and repayable within one year. The remaining amounts due to non-controlling shareholders are non-trade in nature, unsecured, interest-free and repayable on demand.

9. AMOUNTS DUE FROM (TO) RELATED COMPANIES (CONTINUED)

Notes: (Continued)

- (iv) The amount is unsecured, interest-free and repayable on demand.
- (v) The amount is denominated in US\$, unsecured, interest-free and repayable on demand. Included in the balance is an amount of HK\$1,183,988,000 (31 December 2014: HK\$1,183,988,000) representing an unsettled loan advanced from Nan Fung Group to finance initial payment for the acquisition of the entire issued capital of Continental Land Development Limited and its 99% interest in a PRC subsidiary, namely Shanghai World Trade (collectively referred to as "**Continental Land Group**"), during the year ended 31 December 2014. The acquisition was undertaken by Advantage World Investment Limited ("**AWI**"), a wholly owned subsidiary of the Group, which, on the date of completion of the acquisition, allotted and issued subscription shares, representing 49% of the enlarged issue share capital of AWI, to a subsidiary of Nan Fung Group. The remaining balance of amounts due to Nan Fung Group of HK\$141,413,000 (31 December 2014: nil) represents a loan advanced from Nan Fung Group to finance the partial repayment of consideration payable for such acquisition during the six months ended 30 June 2015.

10. DISPOSAL OF SUBSIDIARIES

On 26 August 2014, the directors of the Company resolved to dispose of the entire interest in Bold Eagle Investment Limited ("**Bold Eagle**"), a wholly owned subsidiary of the Group, and its wholly owned subsidiaries including All Win Investment Limited and Zhong Ou Cheng Kai Co., Ltd. 中歐城開有限公司 ("**Zhong Ou Cheng Kai**") (collectively the "**Disposal Group**"). On 10 February 2015, the Group entered into a share transfer agreement with an independent third party in pursuant to which the Group agreed to dispose of its entire interest in the Disposal Group. The disposal was completed during the six months ended 30 June 2015.

	HK\$'000
Consideration:	
Cash received during the six months ended 30 June 2015	824,793
Deposit received during the year ended 31 December 2014 (note 12)	99,975
Consideration receivable (note 11)	249,938
Total consideration	1,174,706
Analysis of assets and liabilities over which control was lost:	
Property, plant and equipment	131
Inventories – properties under development for sale	729,505
Bank balances and cash	103
Other payables	(28)
Net assets disposed of	729,711
Gain on disposal:	
Total cash consideration	1,174,706
Net assets disposed of	(729,711)
Gain on disposal	444,995
Net cash inflow arising on disposal for the period:	
Cash received during the six months ended 30 June 2015	824,793
Less: bank balances and cash disposed of	(103)
Net cash inflow arising on disposal for the period	824,690

10. DISPOSAL OF SUBSIDIARIES (CONTINUED)

The consideration receivable would be settled in cash on or before 10 October 2015.

The Disposal Group is principally engaged in property development in Hebei Province of the PRC. The main assets of the subsidiaries are properties under development for sale including the leasehold land in Hebei Province.

The subsidiaries disposed of during the six months ended 30 June 2015 did not have any significant contribution to the results and cash flows of the Group during the period prior to the disposal.

11. TRADE AND OTHER RECEIVABLES

	30 June 2015 HK\$'000 (unaudited)	31 December 2014 HK\$'000 (audited)
Trade and other receivables recognised as current assets		
Trade receivables	46,944	15,313
Other receivables	552,748	632,922
Advance payments to contractors	15,566	17,136
Amount due from a former subsidiary	2,083	2,083
Amount due from a former associate	–	85,068
Receivable in respect of disposal of investment properties	–	26,756
Prepaid other taxes	94,155	130,835
Deposits and prepayments	29,983	30,158
Consideration receivable in respect of disposal of the Disposal Group (note 10)	249,938	–
	991,417	940,271
Other receivable recognised as non-current assets		
Other receivable	156,444	–

The Group allows an average credit period of 90 days to its corporate hotel customers and generally grants no credit period to property buyers and tenants unless it is specifically approved.

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

The following is an ageing analysis of trade receivables, net of allowance for doubtful debts, presented based on the date of billing which approximated the revenue recognition date at the end of the reporting period.

	30 June 2015 HK\$'000 (unaudited)	31 December 2014 HK\$'000 (audited)
Within 90 days	29,332	14,447
Within 91–180 days	16,031	277
Over 180 days	1,581	589
Total trade receivables	46,944	15,313

The other receivable recognised as non-current assets of approximately HK\$156,444,000 (31 December 2014: nil) representing a loan advanced to the parent company of a tenant of one of the Group's investment properties (the "Borrower"), which is not connected with the Group, through an entrusted loan agreement administrated by a trust company, which carries fixed interest rate at 10% per annum and repayable in 5 years. The loan would be utilised by the Borrower for the renovation and improvement works on the property leased by its subsidiary from the Group. The loan is secured by unlisted ordinary shares of the subsidiaries of the Borrower and these subsidiaries are principally engaged in commercial properties management.

12. TRADE AND OTHER PAYABLES

	30 June 2015 HK\$'000 (unaudited)	31 December 2014 HK\$'000 (audited)
Trade payables	1,554,344	1,380,426
Accrued expenditure on properties under development for sale	3,402,161	2,842,269
Amounts due to former shareholders of the Company's former subsidiaries (note (a))	174,363	174,363
Compensation payables to customers in respect of late delivery of properties	69,737	69,737
Deposit received in respect of disposal of the Disposal Group (note 10)	–	99,975
Receipts from customers for payment of expenses on their behalf	20,588	69,455
Rental deposits and receipt in advance from tenants	205,767	212,496
Interest payable	150,701	77,361
Payable to the Shanghai government department (note (c))	298,355	318,537
Accrued charges and other payables	615,911	605,568
Other taxes payables (note (b))	27,365	47,334
	6,519,292	5,897,521

12. TRADE AND OTHER PAYABLES (CONTINUED)

Notes:

- (a) The amounts are non-trade in nature, interest-free and repayable on demand.
- (b) Other taxes payables comprise urban real estate tax payable, city maintenance and construction tax payable and business tax payable.
- (c) The amount represents the receipts of HK\$1,171,173,000 (31 December 2014: HK\$1,250,399,000) from the purchasers of affordable housings which were collected on behalf of the Shanghai government department, net of receivable of HK\$872,818,000 (31 December 2014: HK\$931,862,000) for the construction and other related costs and the agreed profit margin of the affordable housings. The amount is unsecured, interest-free and repayable on demand. An amount of HK\$20,182,000 (31 December 2014: HK\$47,991,000) was settled during the six months ended 30 June 2015.

The following is an ageing analysis of the Group's trade payables presented based on the invoice date at the end of reporting period.

	30 June 2015 HK\$'000 (unaudited)	31 December 2014 HK\$'000 (audited)
Within 30 days	61,076	82,419
Within 31–180 days	616,421	20,601
Within 181–365 days	57,892	573,250
Over 365 days	818,955	704,156
Total trade payables	1,554,344	1,380,426

13. BANK AND OTHER BORROWINGS

During the six months ended 30 June 2015, the Group obtained new bank and other borrowings of approximately RMB4,237,500,000 and US\$11,009,000, in aggregate equivalent to approximately HK\$5,381,421,000 (six months ended 30 June 2014: RMB1,885,900,000 and US\$16,000,000, in aggregate equivalent to approximately HK\$2,494,439,000). As at 30 June 2015, the balances of banks and other borrowings carry variable interest ranging from 2.69% to 7.36% (31 December 2014: 2.68% to 7.87%) per annum and are payable from one to nine years (six months ended 30 June 2014: one to ten years). The loans were obtained for the purpose of property project development of the Group.

The Group also repaid the bank borrowings of approximately RMB3,486,634,000 and US\$11,125,000 (equivalent to approximately HK\$4,443,978,000) (six months ended 30 June 2014: approximately RMB1,409,848,000 (equivalent to approximately HK\$1,773,166,000)) during the period.

Included in bank and other borrowings are borrowings from SIHL Finance Limited, a wholly owned subsidiary of SIHL, of HK\$3,337,600,000 (31 December 2014: HK\$3,337,600,000). This entire amount is unsecured and comprised of HK\$ denominated loan of HK\$1,372,000,000 (31 December 2014: HK\$1,372,000,000) and US\$ denominated loan of approximately HK\$1,965,600,000 (31 December 2014: equivalent to approximately HK\$1,965,600,000). Included in the HK\$ denominated loan, an amount of HK\$1,000,000,000 (31 December 2014: HK\$1,000,000,000) carries variable interest rate at three months Hong Kong Interbank Offered Rate ("**HIBOR**") plus 4.48% per annum and is repayable on 30 June 2016 (31 December 2014: variable interest rate at three months HIBOR plus 4.48% per annum and repayable on 30 June 2015). The remaining balance of the HK\$ denominated loan of HK\$372,000,000 (31 December 2014: HK\$372,000,000) carries variable interest rate at three months HIBOR plus 4.77% per annum and is repayable on 15 July 2017 (31 December 2014: variable interest rate at three months HIBOR plus 4.77% per annum and repayable on 15 July 2017). The US\$ denominated loan carries variable interest rate at three months London Interbank Offered Rate ("**LIBOR**") plus 4.77% per annum and is repayable on 15 July 2017 (31 December 2014: variable interest rate at three months LIBOR plus 4.77% per annum and repayable on 15 July 2017). All these loan balances will be settled in the original currency the Group borrowed.

Bank and other borrowings also include unsecured loans from Shanghai Industrial Investment (Holdings) Company Limited ("**SIIC**"), ultimate holding company of the Group, of approximately HK\$499,875,000 (31 December 2014: approximately HK\$1,249,688,000) through an entrusted loan agreement administered by banks. Such loans carry fixed interest at 6.52% (31 December 2014: 6.52%) per annum and are due within one year.

14. SHARE CAPITAL

Ordinary shares of HK\$0.04 each.

Issued and fully paid

	Number of shares '000	Share capital HK\$'000
As at 1 January 2014, 30 June 2014, 1 January 2015 and 30 June 2015	4,811,523	192,461

15. SHARE-BASED PAYMENT

As at 30 June 2015, the number of shares of the Company in respect of which options had been granted and remained outstanding under the share option scheme was 57,750,000 (31 December 2014: 57,750,000), representing 1.2% (31 December 2014: 1.2%) of the shares of the Company in issue at that date. During the six months ended 30 June 2015 and 2014, no options were granted, expired or forfeited.

16. CAPITAL COMMITMENTS

	30 June 2015 HK\$'000 (unaudited)	31 December 2014 HK\$'000 (audited)
Contracted for but not provided for – additions in properties under development for sale	5,143,908	5,869,739

17. CONTINGENT LIABILITIES**(a) Corporate guarantees**

	30 June 2015 HK\$'000 (unaudited)	31 December 2014 HK\$'000 (audited)
Guarantee given to banks in respect of banking facilities utilised by:		
– property buyers	2,683,048	2,100,545
– an entity controlled by Xuhui SASAC	144,964	269,933
– an entity jointly held by a joint venture entity of the Group	162,459	162,459
	2,990,471	2,532,937

In the opinion of the directors of the Company, the fair values of the financial guarantee contracts of the Group are insignificant at initial recognition, and the directors of the Company consider that the possibility of default by the relevant buyers is remote and, in case of default in payments, the net realisable value of the related properties can recover the repayment of the outstanding mortgage principals together with the accrued interests and penalties. Accordingly, no provision has been made in the condensed consolidated financial statements for these guarantees.

As at 30 June 2015, the total amount of loans and credit facilities obtained by the Group in respect of which guarantees were provided by Xuhui SASAC was approximately HK\$339,915,000 (31 December 2014: HK\$414,896,000).

(b) Warranty against defects of properties

Properties purchased by buyers are provided with various warranties with terms ranging from one to two years against certain specified defects as stipulated in the PRC laws and regulations which are covered by back-to-back warranties provided by the relevant contractors of the projects.

17. CONTINGENT LIABILITIES (CONTINUED)**(c) Legal proceedings initiated by third parties against the Company**

The Group is a defendant to a claim by a third party regarding non-payment of certain outstanding consideration which has been fully accrued but unpaid by the Group. The third party claim also includes liquidated damage which amounted to approximately HK\$273,000,000 up to 25 July 2012 and which is to be accumulated at a daily rate of approximately HK\$160,000 thereafter until settlement. The Group, after taking legal advice, is of the opinion that it has good ground for withholding the payment of the outstanding consideration and that it is pre-mature to estimate the outcome of the third party claim. Accordingly, no provision for the liquidated damage as well as the daily accrued charges has been made in the condensed consolidated financial statements as of 30 June 2015.

18. RELATED PARTY TRANSACTIONS

- (i) Save as disclosed elsewhere in these condensed consolidated financial statements, during the period, the Group had the following significant transactions with related parties:

Related party	Nature of transactions	Six months ended 30 June	
		2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
Ultimate holding company	Interest expense	(14,327)	(41,092)
Entities controlled by SIHL	Interest expense	(83,257)	(28,849)
	Rental expense	(63)	(21)
Entity controlled by an independent non-executive director of SIHL	Rental expense and management fee	(3,151)	(3,024)
Associates	Property agency fee	(14,870)	(7,363)
	Rental income	361	718
	Interest income	-	1,568
Non-controlling shareholders of a subsidiary	Interest expense	(591)	(56)
An entity controlled by Xuhui SASAC	Interest expense	(6,017)	-

18. RELATED PARTY TRANSACTIONS (CONTINUED)**(ii) Compensation of key management personnel**

The remuneration of key management personnel of the Group, including amounts paid to the Company's directors during the period, was as follows:

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Short-term benefits	8,702	8,402
Post-employment benefit	36	53
	8,738	8,455

The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends.

(iii) Government-related entities

The Group itself is part of a larger group of companies under SIIC Group (SIIC and its subsidiaries are collectively referred to as "**SIIC Group**") which is controlled by the PRC government. The directors of the Company consider that the Company is ultimately controlled by the PRC government and the Group operates in an economic environment currently predominated by entities controlled, jointly controlled or significantly influenced by the PRC government ("**PRC government related entities**"). Apart from the transactions with the SIIC Group and Xuhui SASAC which have been disclosed above and in other notes to the condensed consolidated financial statement, the Group also conducts businesses with other PRC government-related entities in the ordinary course of business. The Group's deposits placements, borrowings and other general banking facilities are entered into with certain banks which are PRC-government related entities in its ordinary course of business. In view of the nature of those banking transactions, the directors of the Company are of the opinion that separate disclosures would not be meaningful.

In addition, the Group has entered into various transactions, including sales, purchases and other operating expenses with other PRC government-related entities. In the opinion of the directors of the Company, these transactions are considered as individually and collectively insignificant to the operation of the Group during the six months ended 30 June 2015 and 2014.

19. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets	Fair value as at		Fair value hierarchy
	30 June 2015	31 December 2014	
Held-for trading non derivative financial assets classified as financial assets at fair value through profit or loss in the condensed consolidated statement of financial position	Listed equity securities in the PRC of HK\$6,501,000	Listed equity securities in the PRC of HK\$3,294,000	Level 1

The directors of the Company consider that the carrying amounts of other financial assets and financial liabilities carried at amortised cost in the condensed consolidated financial statements approximate their fair values.

20. DIVIDENDS

Dividends recognised as distribution during the period:

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
2014 final dividend declared – HK\$1.1 cents (2014: nil for year 2013)	52,927	–

2014 final dividend of approximately HK\$52,927,000 was declared and approximately HK\$28,357,000 was paid during the six months ended 30 June 2015 (six months ended 30 June 2014: nil).

No 2015 interim dividends were proposed during the six months ended 30 June 2015, nor has any dividend been proposed since the end of the reporting period.