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百仕達控股有限公司*

SINOLINK WORLDWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 1168)

2013 INTERIM RESULTS ANNOUNCEMENT

FINANCIAL HIGHLIGHTS

For the six months ended 30 June 2013

- Turnover up 11% to HK$180.0 million
- Gross Profit up 21% to HK$106.6 million
- Profit attributable to owners of the Company down 95% to HK$15.4 million
- Basic Earnings Per Share down 95% to HK0.43 cents

* *for identification purpose only*

The board of directors (the "Board") of Sinolink Worldwide Holdings Limited (the "Company") announced the unaudited consolidated interim results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2013.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 JUNE 2013

		Six months ended	
		30.6.2013	30.6.2012
	NOTES	***HK$'000***	*HK$'000*
		(unaudited)	(unaudited)
Turnover	*3*	**179,994**	162,205
Cost of sales		**(73,428)**	(73,993)
Gross profit		**106,566**	88,212
Other income and gain		**114,604**	213,905
Selling expenses		**(1,075)**	(1,863)
Administrative expenses		**(42,921)**	(38,376)
Increase in fair value of investment properties	*10*	**31,133**	300,832
Gain on derivative components of convertible bonds		**–**	884
Loss from changes in fair value of investments held for trading		**(48,987)**	(27,328)
Share of results of associates		**(67,105)**	(58,723)
Finance costs	*4*	**(9,108)**	(1,483)
Profit before taxation		**83,107**	476,060
Taxation	*5*	**(45,537)**	(130,794)
Profit for the period	*6*	**37,570**	345,266
Attributable to:			
Owners of the Company		**15,360**	286,698
Non-controlling interests		**22,210**	58,568
		37,570	345,266
		HK cents	*HK cents*
Earnings per share	*8*		
Basic		**0.43**	8.10
Diluted		**N/A**	8.04

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2013

	Six months ended	
	30.6.2013	30.6.2012
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit for the period	**37,570**	345,266
Other comprehensive income (expense)		
Items that will not be reclassified to profit or loss:		
Exchange differences arising on translation	**85,286**	(22,859)
Share of translation reserve of associates	**8,234**	(2,750)
Other comprehensive income (expense) for the period	**93,520**	(25,609)
Total comprehensive income for the period	**131,090**	319,657
Total comprehensive income attributable to:		
Owners of the Company	**93,084**	265,569
Non-controlling interests	**38,006**	54,088
	131,090	319,657

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2013

	NOTES	**30.6.2013 *HK$'000* (unaudited)**	31.12.2012 *HK$'000* (audited)
Non-current assets			
Property, plant and equipment	*9*	**477,457**	412,053
Prepaid lease payments		**71,617**	71,043
Investment properties	*10*	**2,566,527**	2,492,685
Interests in associates		**37,042**	95,917
Amounts due from associates	*11*	**100,048**	92,794
Deposit paid for investment	*12*	**101,631**	–
Available-for-sale investments		**13,511**	13,511
Loan receivable	*13*	**2,298,066**	2,251,567
		5,665,899	5,429,570
Current assets			
Stock of properties	*14*	**723,620**	705,772
Trade and other receivables, deposits and prepayments	*15*	**167,148**	167,254
Prepaid lease payments		**1,348**	1,325
Investments held for trading		**220,403**	257,379
Pledged bank deposits	*21*	**5,775**	5,666
Bank balances and cash		**3,907,392**	4,002,192
		5,025,686	5,139,588
Current liabilities			
Trade and other payables, deposits received and accrued charges	*16*	**583,469**	647,915
Taxation payable		**866,047**	821,923
Borrowings – amount due within one year		**32,183**	25,432
		1,481,699	1,495,270
Net current assets		**3,543,987**	3,644,318
Total assets less current liabilities		**9,209,886**	9,073,888
Non-current liabilities			
Borrowings – amount due after one year		**257,066**	270,307
Deferred taxation		**319,179**	301,030
		576,245	571,337
		8,633,641	8,502,551
Capital and reserves			
Share capital	*17*	**354,111**	354,111
Reserves		**7,227,919**	7,134,835
Equity attributable to owners of the Company		**7,582,030**	7,488,946
Non-controlling interests		**1,051,611**	1,013,605
		8,633,641	8,502,551

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2013

1. GENERAL

The Company is a public limited company incorporated in Bermuda as an exempted company with its shares listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activities of the Group are property development, property investment and property management.

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

2. PRINCIPAL ACCOUNTING POLICIES

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

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2013 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2012.

In the current interim period, the Group has applied, for the first time, the following new or revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant for the preparation of the Group's condensed consolidated financial statements:

HKFRSs (Amendments)	Annual improvements to HKFRSs 2009 – 2011 cycle
HKFRS 7 (Amendments)	Disclosures – Offsetting financial assets and financial liabilities
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance
HKFRS 10	Consolidated financial statements
HKFRS 11	Joint arrangements
HKFRS 12	Disclosure of interests in other entities
HKFRS 13	Fair value measurement
HKAS 1 (Amendments)	Presentation of items of other comprehensive income
HKAS 19 (as revised in 2011)	Employee benefits
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures
HK(IFRIC) – INT 20	Stripping costs in the production phase of a surface mine

HKFRS 13 Fair value measurement

The Group has applied HKFRS 13 for the first time in the current interim period. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements, and replaces those requirements previously included in various HKFRSs. Consequential amendments have been made to HKAS 34 to require certain disclosures to be made in the interim condensed consolidated financial statements.

The scope of HKFRS 13 is broad, and applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, subject to a few exceptions. HKFRS 13 contains a new definition for 'fair value' and defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

In accordance with the transitional provisions of HKFRS 13, the Group has applied the new fair value measurement and disclosure requirements prospectively. Disclosures of fair value information are set out in note 22.

Amendments to HKAS 1 Presentation of items of other comprehensive income

The amendments to HKAS 1 introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and an income statement in renewed as a statement of profit or loss. The amendments to HKAS 1 also require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes.

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

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective. The following new or revised standards have been issued after the date the consolidated financial statements for the year ended 31 December 2012 were authorised for issuance and are not yet effective:

Amendments to HKAS 36	Recoverable amount disclosures for non-financial assets[1]
Amendments to HKAS 39	Novation of derivatives and continuation of hedge accounting[1]
HK(IFRIC) – INT 21	Levies[1]

1 Effective for accounting periods beginning on or after 1 January 2014.

The directors anticipate that the application of these new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

3. TURNOVER AND SEGMENT INFORMATION

The following is an analysis of the Group's turnover and results by reportable and operating segments:

Six months ended 30 June 2013

	Property development	Property investment	Property management	Total for reportable segment	Others	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
TURNOVER						
External sales	**49,489**	**58,291**	**55,780**	**163,560**	**16,434**	**179,994**
RESULT						
Segment result	**23,390**	**83,834**	**5,602**	**112,826**	**8,169**	**120,995**
Other income						**114,604**
Unallocated corporate expenses						**(27,292)**
Loss from changes in fair value of investments held for trading						**(48,987)**
Share of results of associates						**(67,105)**
Finance costs						**(9,108)**
Profit before taxation						**83,107**

Six months ended 30 June 2012

	Property development *HK$'000*	Property investment *HK$'000*	Property management *HK$'000*	Total for reportable segment *HK$'000*	Others *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
TURNOVER							
External sales	44,067	49,476	52,732	146,275	15,930	–	162,205
Inter-segment sales	–	–	–	–	1,107	(1,107)	–
	44,067	49,476	52,732	146,275	17,037	(1,107)	162,205
RESULT							
Segment result	10,299	345,072	6,070	361,441	8,845	–	370,286
Other income							213,905
Unallocated corporate expenses							(21,481)
Gain on derivative components of convertible bonds							884
Loss from changes in fair value of investments held for trading							(27,328)
Share of results of associates							(58,723)
Finance costs							(1,483)
Profit before taxation							476,060

Inter-segment sales are charged at prevailing market prices.

Segment result represents the profit earned by each segment without allocation of other income, central administration costs, directors' salaries, share of results of associates, changes in fair value on investments held for trading and derivative components of convertible bonds and finance costs. This is the measure reported to the executive directors, the Group's chief operating decision maker, for performance assessment and resource allocation.

No analysis of the Group's assets and liabilities by reportable segments is disclosed as it is not regularly provided to the executive directors for review.

4. FINANCE COSTS

	Six months ended 30.6.2013 *HK$'000*	Six months ended 30.6.2012 *HK$'000*
Interest on bank borrowings		
– wholly repayable within five years	**2,765**	9,865
– not wholly repayable within five years	**6,343**	–
Effective interest expense on convertible bonds	**–**	800
Others	**–**	38
	9,108	10,703
Less: Amount capitalised to property under construction	**–**	(5,532)
Amount capitalised to investment properties under construction	**–**	(3,688)
	9,108	1,483

5. TAXATION

	Six months ended 30.6.2013 *HK$'000*	Six months ended 30.6.2012 *HK$'000*
The charge comprises:		
Current tax		
Hong Kong Profits Tax		
Underprovision in prior years	**–**	65
People's Republic of China (the "PRC") Enterprise Income Tax	**24,716**	25,524
PRC land appreciation tax	**8,057**	184
Withholding tax on distribution of earnings of PRC subsidiaries	**–**	24,893
	32,773	50,666
Deferred taxation	**12,764**	80,128
	45,537	130,794

No provision for Hong Kong Profits Tax had been made in the condensed consolidated financial statements as the amount involved was insignificant.

Taxation for subsidiaries of the Group, which were established and principally operated in the Shenzhen Special Economic Zone, is calculated at the rate of 25% (six months ended 30 June 2012: 25%) of their assessable profits for the six months ended 30 June 2013 according to the Law of PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law.

In addition, PRC land appreciation tax ("LAT") shall be levied at progressive rates ranging from 30% to 60% on the appreciation of land value, represented by the excess of sales proceeds of properties over prescribed direct costs. Prescribed direct costs are defined to include costs of land, development and construction costs, as well as certain costs relating to the property development. According to the State Administration of Taxation's official circulars, LAT shall be payable provisionally upon sales of the properties, followed by final ascertainment of the gain at the completion of the properties development. The Shenzhen local tax bureau has echoed by promulgating Shenfubanhan [2005] No. 93 and Shendishuifa [2005], whereby among others, LAT should be seriously implemented towards sales of properties where contracts were signed on or after 1 November 2005. The management of the Group considers that it has complied with the rules of the aforementioned circulars and other official tax circulars in Shenzhen and LAT for the Group has been accrued accordingly.

Deferred taxation charge for the period represents deferred tax arising from revaluation of investment properties and undistributed profits of subsidiaries. Deferred taxation on undistributed profits of subsidiaries has been recognised taking into accounts the dividends to be distributed from profits earned by the subsidiaries in the PRC starting from 1 January 2008 under the relevant tax rules and regulations of the PRC that requires withholding tax with tax rate ranging from 5% to 10% upon the distribution of such profits to the shareholders.

At the date of issue of the condensed consolidated financial statements, Hong Kong Inland Revenue Department ("IRD") queried against a subsidiary of the Group regarding the chargeability of interest income received from an associate of the Group in the tax returns for the years of assessment 2005/06 to 2010/11. The IRD has issued estimated/additional assessments demanding final tax ("Assessments") to a subsidiary of the Company for the year of assessment 2006/2007. Up to 30 June 2013, the Group has purchased tax reserve certificates of approximately HK$32,000,000 (31 December 2012: nil) for conditional standover order of objection against the notices of Assessments for the year of assessment 2006/2007 and the amount is included in other receivables. Having taken advices from legal counsel and tax representatives, the directors are of the view that there were ample grounds to contest the tax positions of the subsidiary of the Group for the relevant years of assessments.

6. PROFIT FOR THE PERIOD

	Six months ended	
	30.6.2013	30.6.2012
	HK$'000	*HK$'000*
Profit for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	**4,667**	4,413
Release of prepaid lease payments	**669**	51
Exchange loss	**–**	2,108
and after crediting:		
Interest income (included in other income) from:		
– listed senior notes classified as investments held for trading	**1,162**	1,286
– bank deposits	**38,892**	42,242
– loan receivable, net of impairment	**46,499**	169,659
Exchange gain	**17,054**	–

7. DIVIDENDS

No dividends were paid, declared and proposed by the Company during the interim period. The directors have determined that no dividend will be paid in respect of the current interim period (six months ended 30 June 2012: nil).

8. EARNINGS PER SHARE

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

	Six months ended	
	30.6.2013	30.6.2012
	HK$'000	*HK$'000*
Earnings for the purpose of basic earnings per share, being profit for the period attributable to owners of the Company	**15,360**	286,698
Effect of dilutive potential ordinary shares:		
Gain on derivative components of convertible bonds	**–**	(884)
Interest on convertible bonds	**–**	800
Earnings for the purpose of diluted earnings per share	**15,360**	286,614

	Number of shares	
	30.6.2013	30.6.2012
Number of shares for the purpose of basic earnings per share	**3,541,112,832**	3,541,112,832
Effect of dilutive potential ordinary shares:		
Convertible bonds	**–**	22,727,273
Weighted average number of shares for the purpose of diluted earnings per share	**3,541,112,832**	3,563,840,105

The computation of diluted earnings per share for the six months ended 30 June 2012 did not assume the exercise of the Company's outstanding options because the exercise prices of these options were higher than the average market price of shares for the six months ended 30 June 2012.

No diluted earnings per share for the six months ended 30 June 2013 have been presented as there were no potential ordinary shares outstanding during the period.

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group incurred HK$62,120,000 (six months ended 30 June 2012: HK$66,884,000) on property, plant and equipment.

10. INVESTMENT PROPERTIES

	HK$'000
FAIR VALUE	
At 1 January 2013	2,492,685
Exchange realignment	42,709
Increase in fair value of investment properties	31,133
At 30 June 2013	2,566,527

The fair values of the investment properties as at 30 June 2013 and 31 December 2012 have been arrived at on the basis of a valuation carried out on those dates by Messrs. DTZ Debenham Tie Leung Limited, independent qualified professional valuers not connected with the Group, and are the members of the Hong Kong Institute of Surveyors. The valuation of investment properties were arrived at by reference to market evidence of transaction prices for similar properties in the same locations and conditions or, where appropriate, by considering the capitalised income to be derived from the existing tenancies and the reversionary potential of the properties.

11. AMOUNTS DUE FROM ASSOCIATES

The amounts are unsecured, interest-free and repayable on demand. The directors of the Company do not expect that the repayment will take place within twelve months from the end of the reporting period, and hence the amount is classified as a non-current asset.

12. DEPOSIT PAID FOR INVESTMENT

During the six months ended 30 June 2013, the Group made a deposit to independent third parties as to subscribe approximately 8% of the enlarged equity interest in an entity established in the PRC. The acquisition is not yet completed as the capital verification procedures are subject to approve.

13. LOAN RECEIVABLE

	30.6.2013	31.12.2012
	HK$'000	*HK$'000*
Shareholder's loan receivable	**2,298,066**	2,251,567

The amount represents shareholder's loan receivable from the Group's associate, Rockefeller Group Asia Pacific, Inc. ("RGAP"), for financing a property development project and property investment project in Shanghai, which carries a 20% coupon interest rate per annum and forms part of the net investment in RGAP. The amount is carried at amortised cost based on the estimated future cash flows that are expected to be received by the Group as well as the estimates of the timing of such receipts. The loan receivable including principal and interest is unsecured and has no fixed repayment terms. The directors consider that the loan receivable will not be repayable within one year from the end of the reporting period, it is classified as non-current asset accordingly.

The Group has revised its estimates on the discounted future cash flow projections on the loan receivable. Accordingly, an impairment loss of HK$131,784,000 (six months ended 30 June 2012: nil) that represents the difference between the loan receivable's carrying amount and the present value of the estimated future cash flows discounted at its original effective interest rate is recognised in profit or loss during the period. After netting off with the interest income recognised by the Group of HK$178,283,000 (six months ended 30 June 2012: HK$169,659,000) during the period, a net interest income of HK$46,499,000 (six months ended 30 June 2012: HK$169,659,000) is recognised in the condensed consolidated profit or loss and included as other income accordingly.

The directors have reviewed the carrying amount of loan receivable of HK$2,298,066,000 (31.12.2012: HK$2,251,567,000) and considered that this amount is fully recoverable.

14. STOCK OF PROPERTIES

	30.6.2013	31.12.2012
	HK$'000	*HK$'000*
Properties under development	**716,245**	683,904
Completed properties held for sale	**7,375**	21,868
	723,620	705,772

15. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	30.6.2013	31.12.2012
	HK$'000	*HK$'000*
Trade receivables	**5,857**	4,121
Interest receivables	**4,095**	15,241
Advances paid for investment projects *(Note)*	**75,282**	110,974
Amount due from an investment company	**1,820**	1,820
Other receivables, deposits and prepayments	**80,094**	35,098
	167,148	167,254

Note: In December 2012, the Group entered into a cooperative agreement (the "Agreement") with a company established in the PRC, and independent third party, for a proposed property development project in the PRC (the "Project") and advance RMB90,000,000. The amount was secured by personal guarantees provided by the independent persons and bore interest at 3% per month. The amount is repayable in 45 days if the conditions stated in the Agreement (i.e. submission of feasibility study report on the property development project) cannot be met. During the six months ended 30 June 2013, RMB30,000,000 is refunded. In 28 May 2013, a supplemental agreement is signed among all relevant parties and the due date of the Agreement is extended to 29 October 2013. If the conditions stated in the Agreement cannot be met on 29 October 2013, the remaining advance of RMB60,000,000 (equivalent to approximately HK$75,282,000) will be due immediately.

The Group allows an average credit period ranging from 0 to 60 days to its customers. The following is an aged analysis of trade receivables presented based on the invoice date, which is approximate to respective recognition date, at the end of reporting period:

	30.6.2013	31.12.2012
	HK$'000	*HK$'000*
Aged:		
0 to 60 days	**5,047**	3,402
61 to 180 days	**486**	432
Over 181 days	**324**	287
	5,857	4,121

16. TRADE AND OTHER PAYABLES, DEPOSITS RECEIVED AND ACCRUED CHARGES

	30.6.2013	31.12.2012
	HK$'000	*HK$'000*
Trade payables	**141,751**	217,515
Other payables for construction work	**186,048**	176,041
Deposits and receipts in advance	**118,891**	97,896
Other payables and accrued charges	**136,779**	156,463
	583,469	647,915

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	30.6.2013	31.12.2012
	HK$'000	*HK$'000*
Aged:		
0 to 90 days	**73,119**	36,369
91 to 180 days	**6,880**	47,886
181 to 360 days	**42,421**	13,826
Over 360 days	**19,331**	119,434
	141,751	217,515

17. SHARE CAPITAL

	Number of shares	Amount
		HK$'000
Ordinary shares of HK$0.10 each		
Authorised:		
At 1 January 2013 and 30 June 2013	6,000,000,000	600,000
Issued and fully paid:		
At 1 January 2013 and 30 June 2013	3,541,112,832	354,111

18. RELATED PARTY TRANSACTIONS

Save as disclosed in elsewhere in the condensed consolidated financial statements, the Group had the following transactions with related parties during the period.

		Six months ended	
Name of related party	**Nature of transaction**	**30.6.2013**	30.6.2012
		HK$'000	*HK$'000*
Associates:			
RGAP	Interest income on shareholder's loan	**46,499**	169,659
Shanghai Bund de Rockefeller Group Master Development Co., Ltd.	Project management fee income	**13,170**	13,098

During the current interim period, the emoluments of key management personnel were HK$7,848,000 (six months ended 30 June 2012: HK$6,196,000).

19. CONTINGENT LIABILITIES

	30.6.2013	31.12.2012
	HK$'000	*HK$'000*
Guarantees given to banks for the mortgage loans arranged for the purchases of the Group's properties	**61,577**	63,296

No financial liabilities were recorded as, in the opinion of the directors, the fair values of the financial guarantee contracts at initial recognition were not significant and it is not probable that the counterparties would default on the relevant loans.

20. COMMITMENTS

	30.6.2013	31.12.2012
	HK$'000	*HK$'000*
Capital commitments in respect of properties under construction:		
– contracted for but not provided in the condensed consolidated financial statements	**9,702**	26,683
– authorised but not contracted for	**196,536**	197,755
Commitments in respect of stock of properties under development:		
– contracted for but not provided in the condensed consolidated financial statements	**126,158**	130,062

21. PLEDGE OF ASSETS

At 30 June 2013, bank deposits of HK$5,775,000 (31.12.2012: HK$5,666,000) and investment properties with an aggregate carrying amount of HK$1,240,903,000 (31.12.2012: HK$496,917,000) were pledged to banks to secure general banking facilities granted to the Group.

22. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

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

Some of the Group's financial assets and financial liabilities 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 and financial liabilities 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	Valuation techniques and key input(s)	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	30.6.2013	31.12.2012				
	HK$'000	*HK$'000*				
Investments is listed equity securities classified as investments held for trading in the condensed consolidated statement of financial position	**Listed equity securities – HK$220,403,000**	Listed equity securities – HK$257,379,000	Level 1	Quoted bid prices in an active market	N/A	N/A

MANAGEMENT DISCUSSION AND ANALYSIS

After 30 years of high-speed economic growth driven by credit, investment and exports, the PRC's model of development has shown a need for change. The new government is pushing for economic reform over fast-lane growth by adopting measures to energize the private sector and boost urbanization that promise more sustainable expansion with higher quality and efficiency.

Data from the National Bureau of Statistics showed that the PRC's gross domestic product ("GDP") growth slowed to 7.6% in the first half, at an amount of RMB24.8 trillion. In spite of the slowdown, the latest figures were within market expectations and were indicative of the "structural change" and "shifting gears" being pursued.

For the six months ended 30 June 2013, the Group's turnover amounted to HK$180.0 million, an increase of 11% compared with the same period last year. Gross profit rose by 21% to HK$106.6 million. Profit attributable to owners of the Company fell significantly to HK$15.4 million, compared to HK$286.7 million previously, mainly due to a significant decrease in the fair value change in investment properties and an impairment loss in loan receivable. Basic earnings per share amounted to HK0.43 cents, a decline of 95% compared with the same period last year.

PROPERTY SALES

During the period under review, the Group had only a small amount of properties available for sale, representing the remaining units of *The Mangrove West Coast*. As such, the Group's turnover from property sales amounted to HK$49.5 million, an increase of 12% compared with the same period last year. The Group sold a total gross floor area ("GFA") of approximately 1,023 square meters during the period, which was 2% less compared to 1,048 square meters recorded a year ago. Gross profit of property sales increased by 48% to HK$34.0 million.

PROPERTY RENTAL

For the six months ended 30 June 2013, total rental income amounted to HK$58.3 million, an increase of 18% over the same period last year.

The rental income was mainly contributed by the commercial complexes of *The Vi City* and Sinolink Garden Phase One to Four.

Sinolink Tower

Located in Luowu district, Shenzhen, Sinolink Tower, the hotel and office complex of Sinolink Garden Phase Five, has a GFA of 50,000 square meters, of which hotel space occupies 30,000 square meters and office space occupies 20,000 square meters.

As of to date, the office building has leased out 60% of its total leasable area. Tenants mainly consist of jewelry, investment and real estate companies.

O Hotel is currently undergoing government inspections on fire safety, energy saving and quality testing and arranging business licenses and tax registration. It is scheduled to commence operation in late 2013 or early 2014.

PROPERTIES UNDER DEVELOPMENT

As at 30 June 2013, the Group has the following properties under development:

(1) *Rockbund*, located on the Bund in Shanghai, is an integrated property development project. The project has a total site area of 18,000 square meters with a GFA of 94,080 square meters comprising preserved heritage buildings and new structures. The Group intends to redevelop this historical site and structures into an upscale mixed-use neighborhood, with residential, commercial, retail, catering, offices and cultural facilities.

(2) *Ningguo Mansions*, a 13,600 square meter site with a plot ratio of 1.0 at Changning District in Shanghai, will be developed into 11 quadrate court houses, each with a GFA of 1,000 to 1,500 square meters. David Chipperfield Architects, a British architecture design company, is responsible for the construction and decoration design of this commodity housing project. Located in one of the most accessible and low-density luxury living districts in Shanghai, Ningguo Mansions is approximately 10 minutes from the airport and approximately 30 minutes from the city center by car.

    The project was granted Permit of Newly Built Residences Made Available to Users by the Shanghai authority following completion of inspection during the period under review, making it in compliance with the rules for launch.

MAJOR ASSOCIATE

The Group recorded a share of loss of an associate, Rockefeller Group Asia Pacific, Inc., at an amount of HK$67.1 million for the six months ended 30 June 2013, an increase of 14% for the same period last year, due to change in the fair value of investment properties held by the associate.

Rockbund

Situated at the junction of Huangpu River and Suzhou Creek, Rockbund is a redevelopment project that celebrates the birthplace of modern Shanghai. It is part of the historical and cultural preservation area of Shanghai Bund neighbouring Nanjing Road and the Lujiazui business district and commanding a unique and advantageous location that gives easy access to convenient transport and five star hotels in the vicinity. Thriving on the theme of "Art Invigorates Business", the project makes full empowerment of the historical architecture and art aroma in the area to provide high quality leasing space for a variety of businesses with flexible and elegant design layouts to meet customers' diverse needs.

With leasing works and negotiations progressing smoothly, the preserved heritage buildings in Rockbund have attracted a number of famous restaurants and corporations and attained satisfactory operating results.

Good progress was made by the new buildings of Rockbund during the period under review in carrying out some of the underground and above ground works.

OTHER BUSINESSES

Other businesses within the Group include property, facilities and project management provided by the Group's property management division. For the period ended 30 June 2013, the Group recorded revenue from other businesses of HK$72.2 million, an increase of 5% compared with the same period last year.

PROSPECTS

In the second half of 2013, the PRC is likely to benefit from the cyclical recovery of the global economy. On the other hand, higher volatility is on the horizon as shifting domestic policies rein in the Chinese economy. Recovery might also be hindered by the risk-on risk-off financial conditions.

Looking forward, the PRC economy is expected to switch from high-speed to medium-speed growth for a protracted period of time, with the GDP staying at around 7%. Reforms are expected to be made by the government at accelerating pace in the major areas of finance, taxation and banking, which will drive the PRC economy towards more sustainable development.

FINANCIAL REVIEW

The Group's financial position remains strong with a low debt leverage and strong interest cover. The Group's total borrowings decreased from HK$295.7 million as at 31 December 2012 to HK$289.2 million as at 30 June 2013. Gearing ratio as at 30 June 2013, calculated on the basis of total borrowings over shareholders' equity, was 3.8% compared to 3.9% as at 31 December 2012. The Group is in a net cash position and bank borrowings are mainly arranged at floating interest rates.

Total assets pledged in securing loans had a carrying value of HK$1,247 million as at 30 June 2013. The borrowings of the Group are denominated in RMB and HKD. As the entire operation of the Group is carried out in the PRC, substantial receipts and payments in relation to operation are denominated in RMB. No financial instruments have been used for hedging purpose; however, the Board will continue to evaluate and closely monitor the potential impact of RMB and interest rates movements on the Group.

The Group's cash and cash equivalents amounted to HK$3,913 million (including pledged bank deposits) as at 30 June 2013 and were mostly denominated in RMB, HKD and USD.

CAPITAL COMMITMENTS

As at 30 June 2013, the Group had capital commitments in respect of properties under construction and commitments in respect of properties under development amounting to HK$206.2 million and HK$126.2 million respectively.

CONTINGENT LIABILITIES

Guarantees given to banks as security for the mortgage loans arranged for the purchasers of the Group's properties amounted to HK$61.6 million.

INTERIM DIVIDEND

In order to retain resources for the Group's business development, the Board does not declare an interim dividend for the six months ended 30 June 2013 (2012: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2013, the Group employed approximately 851 full time employees for its principal activities. The Group recognizes the importance of high caliber and competent staff and continues to provide remuneration packages to employees with reference to prevailing market practices and individual performance. Other various benefits, such as medical and retirement benefits, are also provided. In addition, share options may be granted to eligible employees of the Group in accordance with the terms of the share option scheme adopted by the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

There was no purchase, sale or redemption of the Company's listed shares by the Company or any of its subsidiaries for the six months ended 30 June 2013.

CORPORATE GOVERNANCE

During the period, the Company has complied with the code provisions as set out in the Corporate Governance Code in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") of the Stock exchange.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that in respect of the six months ended 30 June 2013, all Directors have complied with the required standard set out in the Model Code.

AUDIT COMMITTEE

The Company has an audit committee ("Audit Committee") which was established in accordance with the requirements of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises three independent non-executive directors. The members of the Audit Committee are Mr. Xin Luo Lin, Dr. Xiang Bing and Mr. Tian Jin. The Audit Committee meets regularly with the Company's senior management and the Company's auditor to consider the Company's financial reporting process, the effectiveness of internal controls, the audit process and risk management.

The interim results of the Group for the six months ended 30 June 2013 had not been audited, but had been reviewed by the Company's auditor, Deloitte Touche Tohmatsu and the Audit Committee.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our gratitude to all staff for their devoted efforts and hard work.

By Order of the Board
Sinolink Worldwide Holdings Limited
TANG Yui Man Francis
Chief Executive Officer

Hong Kong, 20 August 2013

As at the date of this announcement, the Board comprises Mr. OU Yaping (Chairman), Mr. TANG Yui Man Francis (Chief Executive Officer), Mr. CHEN Wei and Mr. XIANG Ya Bo as Executive Directors and Mr. LAW Sze Lai and Mr. LI Ningjun as Non-executive Directors and Mr. TIAN Jin, Dr. XIANG Bing and Mr. XIN Luo Lin as Independent non-executive Directors.