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DAN FORM HOLDINGS COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code : 271)

2011 INTERIM RESULTS

RESULTS

The Board of Directors of Dan Form Holdings Company Limited (the “Company”) announce the unaudited consolidated results of the Company and its subsidiaries (together the “Group”) for the six months ended 30 June 2011 with comparative figures for the previous corresponding period as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 JUNE 2011

		Six months ended 30 June	
		2011	2010
	Note	HK\$'000	HK\$'000
Revenue	(3)	21,668	19,532
Other income		795	441
Other gains, net	(4)	32,448	436
Rent and rates		(227)	(1,597)
Building management fee		(2,438)	(2,484)
Staff costs, including directors' remuneration		(6,926)	(6,874)
Depreciation and amortisation		(2,526)	(1,707)
Repair and maintenance		(249)	(232)
Administrative expenses		(3,959)	(4,695)
Change in fair value of investment properties		24,906	16,135
		<hr/>	<hr/>
Operating profit	(5)	63,492	18,955
Share of profits of associated companies		271,406	229,834
		<hr/>	<hr/>
Profit before income tax		334,898	248,789
Income tax expenses	(6)	(4,914)	(3,023)
		<hr/>	<hr/>
Profit for the period		329,984	245,766
		<hr/> <hr/>	<hr/> <hr/>
		HK cents	HK cents
Earnings per share			
Basic and diluted	(7)	26.46	19.70
		<hr/> <hr/>	<hr/> <hr/>

**CONDENSED CONSOLIDATED STATEMENT OF
 COMPREHENSIVE INCOME (UNAUDITED)
 FOR THE SIX MONTHS ENDED 30 JUNE 2011**

	Six months ended 30 June	
	2011	2010
	HK\$'000	HK\$'000
Profit for the period	<u>329,984</u>	<u>245,766</u>
Other comprehensive income		
Change in fair value of available-for-sale financial assets	23,024	(4,233)
Currency translation differences	<u>140</u>	<u>104</u>
Other comprehensive income/(loss) for the period, net of tax	<u>23,164</u>	<u>(4,129)</u>
Total comprehensive income for the period	<u>353,148</u>	<u>241,637</u>

CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)
AS AT 30 JUNE 2011

		30 June 2011	31 December 2010
	Note	HK\$'000	HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	(8)	103,011	67,042
Investment properties		643,170	618,124
Leasehold land		3,780	3,810
Associated companies		2,358,304	2,086,898
Available-for-sale financial assets		27,388	27,473
		3,135,653	2,803,347
Current assets			
Debtors, prepayments and deposits	(9)	43,025	12,305
Amounts due from associated companies		210,527	218,953
Income tax recoverable		42	42
Cash and bank balances		170,232	187,965
		423,826	419,265
Non-current assets classified as held for sale			
Available-for-sale financial assets		23,109	-
Total assets		3,582,588	3,222,612
EQUITY			
Share capital		623,649	623,649
Reserves		2,840,776	2,487,628
Total equity		3,464,425	3,111,277
LIABILITIES			
Non-current liabilities			
Deferred taxation liabilities		79,612	75,560
Current liabilities			
Creditors and accruals	(10)	20,527	19,933
Amounts due to associated companies		16,520	15,179
Income tax payable		1,504	663
		38,551	35,775
Total liabilities		118,163	111,335
Total equity and liabilities		3,582,588	3,222,612
Net current assets		385,275	383,490
Total assets less current liabilities		3,544,037	3,186,837

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2011

	Share capital HK\$'000	Other reserves HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 31 December 2010	<u>623,649</u>	<u>643,441</u>	<u>1,844,187</u>	<u>3,111,277</u>
Profit for the period	-	-	329,984	329,984
Change in fair value of available-for-sale financial assets	-	23,024	-	23,024
Currency translation differences	-	140	-	140
Other comprehensive income for the period	<u>-</u>	<u>23,164</u>	<u>-</u>	<u>23,164</u>
Total comprehensive income for the period	<u>-</u>	<u>23,164</u>	<u>329,984</u>	<u>353,148</u>
At 30 June 2011	<u><u>623,649</u></u>	<u><u>666,605</u></u>	<u><u>2,174,171</u></u>	<u><u>3,464,425</u></u>
At 31 December 2009	<u>623,649</u>	<u>644,818</u>	<u>1,338,240</u>	<u>2,606,707</u>
Profit for the period	-	-	245,766	245,766
Change in fair value of available-for-sale financial assets	-	(4,233)	-	(4,233)
Currency translation differences	-	104	-	104
Other comprehensive loss for the period	<u>-</u>	<u>(4,129)</u>	<u>-</u>	<u>(4,129)</u>
Total comprehensive income for the period	<u>-</u>	<u>(4,129)</u>	<u>245,766</u>	<u>241,637</u>
At 30 June 2010	<u><u>623,649</u></u>	<u><u>640,689</u></u>	<u><u>1,584,006</u></u>	<u><u>2,848,344</u></u>

NOTES TO THE INTERIM FINANCIAL INFORMATION

(1) GENERAL INFORMATION

The Company is a limited liability company incorporated in Hong Kong and has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited. The address of its registered office is 33/F., Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Hong Kong.

The principal activities of the Group are property rental and estate management.

The interim financial information has been approved by the Board of Directors on 29 August 2011.

(2) BASIS OF PREPARATION

The interim financial information has been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”). It has been prepared under the historical cost convention, as modified by the revaluation of investment property and available-for-sale financial assets, which are carried at fair value, and in accordance with HKAS 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2010, which have been prepared in accordance with HKFRS.

The accounting policies and methods of computation used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2010 except as disclosed below.

The adoption of new/revised HKFRS

In 2011, the Group adopted the following revised accounting standards and amendments of HKFRS, which are relevant to the Group’s operations.

HKAS 1	Presentation of Financial Statements
HKAS 27	Consolidated and Separate Financial Statements
HKAS 24 (Revised)	Related Party Disclosure
HKAS 34	Interim Financial Reporting
HKFRS 3 (Revised)	Business combinations
HKFRS 7	Financial Instruments : Disclosures

The Group has assessed the impact of the adoption of these revised standards and amendments and considered that there was no significant impact on the Group’s results and financial position nor any substantial changes in the Group’s accounting policies and presentation of the financial statements.

(2) **BASIS OF PREPARATION** (*continued*)

Standards and amendments to existing standards that are relevant but not yet effective

<u>New or revised standards</u>		Effective for accounting periods beginning on or after
HKFRS 7 Amendment	Financial Instruments: Disclosures – Transfer of Financial Assets	1 July 2011
HKAS 12 Amendment	Deferred Tax: Recovery of Underlying Assets	1 January 2012
HKAS 1 Amendment	Presentation of Financial Statements	1 July 2012
HKAS 27 (2011)	Separate Financial Statements	1 January 2013
HKAS 28 (2011)	Investments in Associates and Joint Ventures	1 January 2013
HKFRS 9	Financial instruments	1 January 2013
HKFRS 10	Consolidated Financial Statements	1 January 2013
HKFRS 11	Joint Arrangements	1 January 2013
HKFRS 12	Disclosure of Interests in Other Entities	1 January 2013
HKFRS 13	Fair Value Measurements	1 January 2013

The Group has not early adopted the above new or revised standards and amendments. The Group has assessed the impact of the adoption of these revised standards and amendments and considers that there will be no significant impact on the Group's results and financial position nor any substantial changes in the Group's accounting policies and presentation of the financial statements.

This amendment to HKAS 12 provides an exception to the principles in the existing standard for measuring deferred tax assets or liabilities when investment property is measured at fair value. The amendment introduces a presumption that an investment property measured at fair value is recovered entirely through sale. Management will apply this amendment for financial periods beginning on or after 1 January 2012 and full retrospective application will be required.

The Group has assessed the impact of the amendment to HKAS 12 and considers that the impact on the consolidated financial statements from this amendment will be insignificant.

(3) REVENUE AND SEGMENT INFORMATION

Revenue, which is also the Group's turnover, is shown as follows:

	Six months ended 30 June	
	2011	2010
	HK\$'000	HK\$'000
Rental from investment properties	14,409	13,856
Estate management fees	5,121	4,776
Dividend income from unlisted investments	2,138	900
	<u>21,668</u>	<u>19,532</u>

The chief operating decision-maker has been identified as the Board of Directors of the Company collectively. The Board of Directors reviews the Group's internal reporting in order to assess performance of the Group's property and estate management business. The Board of Directors assesses the performance of the single operating segment based on a measure of profit after tax.

Revenues of the Group are sourced from Hong Kong. Non-current assets of the Group are mainly located at Hong Kong, except for certain non-current assets, amounting to HK\$15,696,000, located in Mainland China.

No segment analysis of the Group's revenue and contribution to operating profit is presented as the Group's financial information already provide the management information on the assessment of the performance of the Group.

(4) OTHER GAINS, NET

	Six months ended 30 June	
	2011	2010
	HK\$'000	HK\$'000
Net exchange gains	238	148
Gain on sale of an investment property	-	288
Write-back of provision for doubtful debt (Note)	32,210	-
	<u>32,448</u>	<u>436</u>

Note:

On 25 January 2011, the first cash distribution proposal in respect of the liquidation of a then subsidiary, Beijing Dan Yao Property Company Limited ("Dan Yao"), was approved in the sixth creditors' meeting of Dan Yao. Under the first cash distribution proposal, the Group is entitled to receive approximately RMB27,126,000 (approximately HK\$32,210,000). Accordingly, the provision for the amount due from Dan Yao was written back to the income statement, to the extent of the proposed distribution.

(5) **OPERATING PROFIT**

	Six months ended 30 June	
	2011	2010
	HK\$'000	HK\$'000
Operating profit is arrived at after charging:		
Outgoings of investment properties	2,987	3,175
Provision for bad debt	-	207

(6) **INCOME TAX EXPENSES**

	Six months ended 30 June	
	2011	2010
	HK\$'000	HK\$'000
Current income tax		
Hong Kong	878	835
Mainland China	-	16
	878	851
Deferred income tax	4,036	2,172
	4,914	3,023

Hong Kong profits tax has been provided at the rate of 16.5% (2010: 16.5%) on the estimated assessable profit for the period. Taxation on profits generated in Mainland China has been provided at the rate of taxation prevailing in Mainland China.

(7) **EARNINGS PER SHARE**

The calculation of basic earnings per share is based on the profit attributable to equity holders of HK\$329,984,000 (2010: HK\$245,766,000) and 1,247,298,945 (2010: 1,247,298,945) shares in issue during the period. The diluted earnings per share equals the basic earnings per share since there are no dilutive potential shares in issue during both periods.

(8) **PROPERTY, PLANT AND EQUIPMENT**

	2011	2010
	HK\$'000	HK\$'000
Net book value at 1st January	67,042	50,160
Currency translation differences	-	8
Transfer from investment properties	-	6,300
Additions	38,465	13,711
Depreciation	(2,496)	(1,677)
Net book value at 30 June	103,011	68,502

(9) DEBTORS, PREPAYMENTS AND DEPOSITS

	30 June 2011 HK\$'000	31 December 2010 HK\$'000
Trade debtors	3,018	3,780
Other debtors	38,642	6,159
Prepayments and deposits	1,365	2,366
	<u>43,025</u>	<u>12,305</u>

Trade debtors represent rental income and estate management fees due from tenants which become due upon presentation of invoices. The ageing of these trade debtors of the Group, net of provisions and in accordance with the dates of the invoices, is as follows:

	30 June 2011 HK\$'000	31 December 2010 HK\$'000
Within 30 days	2,778	2,139
31 to 60 days	110	188
61 to 90 days	37	423
Over 90 days	93	1,030
	<u>3,018</u>	<u>3,780</u>

(10) CREDITORS AND ACCRUALS

	30 June 2011 HK\$'000	31 December 2010 HK\$'000
Trade creditors	17	17
Other creditors	17,657	17,052
Accrued operating expenses	2,853	2,864
	<u>20,527</u>	<u>19,933</u>

The ageing of the trade creditors of the Group is as follows:

	30 June 2011 HK\$'000	31 December 2010 HK\$'000
Within 30 days	<u>17</u>	<u>17</u>

(11) COMMITMENTS

(a) Operating lease commitments

The future aggregate minimum lease rental payments under non-cancellable operating leases in respect of land and buildings are payable in the following periods:

	30 June 2011 HK\$'000	31 December 2010 HK\$'000
Within one year	65	33
Between one to five years	8	-
	<u>73</u>	<u>33</u>

(b) Operating lease rental receivable

The future minimum lease rental receipts under non-cancellable operating leases in respect of investment properties are receivable in the following periods:

	30 June 2011 HK\$'000	31 December 2010 HK\$'000
Within one year	22,587	21,505
Between one to five years	12,851	20,672
Over five years	961	1,649
	<u>36,399</u>	<u>43,826</u>

(12) RELATED PARTY TRANSACTIONS

	Six months ended 30 June	
	2011	2010
	HK\$'000	HK\$'000
Estate management fee income from associated companies	<u>3,047</u>	<u>2,709</u>

The Group provided estate management services to Zeta Estates Limited and Kin Tong Land Investment Company Limited, associated companies of the Group, during the period. Estate management fees were charged at agreed percentages of rental income during the period.

INTERIM DIVIDEND

The Directors of the Company have resolved not to declare any interim dividend for the six months ended 30 June 2011 (2010: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Operations

The Group recorded a revenue of HK\$21,668,000 for the six months ended 30 June 2011, which represented an increase of approximately HK\$2,136,000 or 11% as compared with the same period in 2010. This was attributable to increases in rental income, estate management fee and dividend income from unlisted investments.

The profit attributable to equity holders for the six months ended 30 June 2011 was HK\$329,984,000 whereas HK\$245,766,000 was made for the same period in 2010. The increase in profit of HK\$84,218,000 or 34% was mainly due to the increase in fair value gain of investment properties held by the Group and its associated companies and the other income of HK\$32,210,000 arising from the write-back of a provision for a doubtful debt.

Hong Kong Business

Property

For the six months ended 30 June 2011, the average occupancy rates of the Group's residential properties situated at Red Hill Peninsula and South Horizons were approximately 75% and 97% respectively, while the average occupancy rate of commercial properties situated at Harbour Crystal Centre was approximately 99%. During the period, the Group's net rental income from property leasing was higher than that for the same period in last year.

Beijing Business

The Wangfujing Projects

Dan Yao Building (85% owned)

The first cash distribution from asset sales proposal in respect of the liquidation of Beijing Dan Yao Property Company Limited ("Dan Yao"), which was submitted by the receivers of Dan Yao, was approved in the sixth creditors meeting of Dan Yao on 25 January 2011. The Group is entitled to receive approximately RMB27,126,000 (approximately HK\$32,210,000) this time. At present, the relevant procedures for the transfer of the above mentioned amount to the Group are being processed.

It is expected that in the year of 2012, the transfer of the title of Dan Yao's property and the cash distribution from asset sales in respect of Dan Yao's liquidation will be completed. The remaining debts due to the Group may also possibly be partially settled.

Beijing Business *(continued)*

The Wangfujing Projects (continued)

The Xidan Project (29.4% owned)

According to the Agreement of liquidation, which was signed by three shareholders (Beijing Huarong Investment Co. Ltd., China Resources Land (Beijing) Limited. and Keen Safe Investment Limited) of the Beijing Jing Yuan Property Development Company Limited (“Jing Yuan”), the company started the preparation for the liquidation process in early of the year 2011. Due to all the assets of Jing Yuan are insufficient to repay its own debt, on 14 June, 2011, the Board of Jing Yuan has decided to have a resolution in respect of the application of liquidation to the PRC Court. Jing Yuan has authorized Oriental Credit Law Firm to assist in handling the procedures for the application of the liquidation. The relevant works are being processed.

It is expected that in the second half of year 2011, Jing Yuan will apply to the PRC Court for the liquidation, and will proceed for the liquidation according to the hearing and decision of the PRC Court.

ASSETS AND CHARGES

The total assets of the Group have increased from HK\$3,222,612,000 as at 31 December 2010 to HK\$3,582,588,000 as at 30 June 2011. Net assets of the Group have also increased from HK\$3,111,277,000, as at 31 December 2010 to HK\$3,464,425,000 as at 30 June 2011. At 30 June 2011, investment properties and property, plant and equipment with net book value of HK\$597,700,000 and HK\$5,995,000 respectively (31 December 2010: HK\$575,420,000 and HK\$6,097,000) have been pledged as securities for the banking facilities which expired in November 2010. The bank agreed to provide banking facilities if necessary. As at 30 June 2011, the Group had no bank borrowings.

FINANCIAL POSITION, LIQUIDITY AND FINANCIAL RESOURCES

The total liabilities of the Group have increased from HK\$111,335,000 as at 31 December 2010 to HK\$118,163,000 as at 30 June 2011. The Group had cash and bank balances of HK\$170,232,000 as at 30 June 2011 (2010: HK\$187,965,000). The ratio of total liabilities to total assets was approximately 3% (2010: 3%). As at 30 June 2011, the Group had no bank loans and bank overdrafts (2010: nil) and the total equity was HK\$3,464,425,000 (2010: HK\$3,111,277,000). As at 30 June 2011, the current assets of the Group amounted to HK\$423,826,000 (2010: HK\$419,265,000), which exceeded its current liabilities by HK\$385,275,000 (2010: HK\$383,490,000).

For the six months ended 30 June 2011, the Group had no significant exposure to fluctuations in exchange rates and related hedges and there were no contingent liabilities.

EMPLOYEES

As at 30 June 2011, the Group, excluding associated companies, had 51 employees of which 43 were employed in Hong Kong.

In addition to basic salaries, employees in Hong Kong are provided with medical insurance and some of them are included under a defined contribution provident fund scheme and mandatory provident fund scheme. Employees in the Mainland China are provided with medical insurance, elderly insurance, loss of job insurance, injury insurance and provident fund for housing. Some of them are also provided with birth insurance.

PROSPECTS

The global and local economy is extremely weak and fragile. With the increasing unstable environment, which is affecting business performance, crisis and opportunity exist. The Group will assess the current situation, leading to safeguard the Group's assets and to develop the Group's business.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

The Company has not redeemed any of its shares during the six months ended 30 June 2011. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the six months ended 30 June 2011.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding the directors' securities transactions. The Company has made specific enquiry of all Directors whether they have complied with the Model Code and all Directors confirmed that they have complied with the Model Code for the six-months ended 30 June 2011.

Written guidelines on no less exacting terms than the Model Code relating to securities transactions for employees have been sent to the relevant employees of the Group.

AUDIT COMMITTEE REVIEW

For the six months ended 30 June 2011, the interim results for the reporting period are unaudited. The interim results of the Group have been reviewed by the Audit Committee.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance within a sensible framework. The Company has complied with all the code provisions as set out in Appendix 14 of the Code on Corporate Governance Practices of the Listing Rules throughout the accounting period for the six months ended 30 June 2011, except for the following deviations:

Code Provision A.2.1

This Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The Group currently has no separation of the role of the chairman and chief executive. The Board considers that this structure will not impair the balance and authority between the Board and the management of the Group.

By Order of the Board
Chen Si Ying, Cynthia
Company Secretary

Hong Kong, 29 August 2011

As at the date hereof, the board of directors of the Company comprises of five Directors, of which two are Executive Directors, namely Mr. Dai Xiaoming and Mr. Kenneth Hiu King Kon; and three are Independent Non-Executive Directors, namely Mr. Jesse Nai Chau Leung, Mr. Xiang Bing and Mr. Edward Shen.

This interim results announcement is published on the website of the Company (<http://www.danform.com.hk>) and the designated issuer website of the Stock Exchange (<http://www.hkex.com.hk>). The Interim Report 2011 containing all the information required by the Listing Rules will be dispatched to shareholders and made available on the above websites on or around 15 September 2011.