



豐盛
FULLSHARE

Fullshare Holdings Limited
豐盛控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00607)

Building Future



Interim Report
2015



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Interim Financial Information

The board (the “**Board**”) of directors (the “**Directors**”) of Fullshare Holdings Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2015, together with comparative figures for the previous corresponding period prepared in accordance with generally accepted accounting principles in Hong Kong as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2015

	Notes	Six months ended	
		30/6/2015 RMB'000 (Unaudited)	30/6/2014 RMB'000 (Unaudited and restated)
Revenue	4	1,699,967	365,978
Cost of sales		(1,592,035)	(255,250)
Gross profit		107,932	110,728
Change in fair value of convertible bonds		–	(216,752)
Gain on disposal of a subsidiary	21	79,492	–
Gain on bargain purchase recognised in acquisition of subsidiaries	22(a)	363,428	–
Gain on fair value change in transferring properties held for sale to investment properties	9	147,464	–
Other income		81,360	13,527
Selling expenses		(25,442)	(16,741)
Administrative expenses		(50,642)	(21,221)
Finance costs		(62,395)	(3,212)
Profit (loss) before taxation		641,197	(133,671)
Income tax expense	5	(115,389)	(53,638)
Profit (loss) and total comprehensive income (expense) for the period	6	525,808	(187,309)
Profit (loss) and total comprehensive income (expense) for the period attributable to:			
Owners of the Company		525,284	(189,616)
Non-controlling interests		524	2,307
		525,808	(187,309)
		RMB	RMB
Earnings (loss) per share			
Basic and diluted	8	3.87 cents	(6.88) cents

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION*As at 30 June 2015*

	Notes	30/6/2015 RMB'000 (Unaudited)	31/12/2014 RMB'000 (Unaudited and restated)	1/1/2014 RMB'000 (Unaudited and restated)
Non-current assets				
Property, plant and equipment	9	136,539	148,136	127,767
Investment properties	9	322,600	5,600	5,600
Goodwill		38,086	1,474	–
Prepaid land lease payments		1,680	1,699	1,777
Loan receivable	10(a)	–	350,000	–
Financial asset designated at fair value through profit or loss	11	10,000	–	–
Deferred tax assets		27,146	14,736	523
		536,051	521,645	135,667
Current assets				
Deposit paid for potential acquisition of a subsidiary		–	50,000	–
Consideration receivable	21	420,300	–	–
Loan receivable	10(a)	350,000	–	–
Trade and other receivables	10(b)	697,428	394,661	243,758
Tax prepaid		9,420	24,820	–
Properties under development		5,224,708	2,540,309	1,448,807
Properties held for sale		211,506	504,516	667,908
Amounts due from customers for contract work		3,704	20,801	–
Pledged bank deposits		–	11,947	1,445
Structured deposit		–	30,024	–
Bank balances and cash		183,202	325,013	122,777
		7,100,268	3,902,091	2,484,695

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	Notes	30/6/2015 RMB'000 (Unaudited)	31/12/2014 RMB'000 (Unaudited and restated)	1/1/2014 RMB'000 (Unaudited and restated)
Current liabilities				
Trade and other payables	12	836,472	344,614	345,126
Receipts in advance and deposits received	13	986,939	602,994	510,286
Income tax payable		292,235	157,535	109,202
Consideration payables		47,006	156,000	–
Deferred income – government grant		37,739	–	23
Amount due to a shareholder		16,811	8,815	–
Bank and other borrowings – due within one year		1,057,192	910,103	174,000
		3,274,394	2,180,061	1,138,637
Net current assets				
		3,825,874	1,722,030	1,346,058
Total assets less current liabilities				
		4,361,925	2,243,675	1,481,725
Capital and reserves				
Issued equity	14	536,219	530,763	439,307
Reserves		2,072,493	1,429,366	108,808
Equity attributable to owners of the Company		2,608,712	1,960,129	548,115
Non-controlling interests		286,550	208,718	29,473
Total equity				
		2,895,262	2,168,847	577,588

Interim Financial Information

	30/6/2015	31/12/2014	1/1/2014
Note	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited and restated)	(Unaudited and restated)
Non-current liabilities			
Convertible bonds	15 -	-	683,247
Corporate bond	7,211	7,089	-
Consideration payables	21,668	43,758	-
Bank and other borrowings			
- due after one year	1,178,000	-	195,000
Deferred tax liabilities	259,784	23,981	25,890
	1,466,663	74,828	904,137
Total equity and non-current liabilities	4,361,925	2,243,675	1,481,725

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2015

	Attributable to owners of the Company										
	Issued equity			Merger reserve	Statutory reserves	Other reserve	Reverse acquisition reserve	Retained profits	Total equity	Non-controlling interests	Total
	Ordinary share capital	Equity reserve	Share premium								
	RMB'000 (note 14)	RMB'000 (note iv)	RMB'000	RMB'000 (note i)	RMB'000 (note ii)	RMB'000 (note iii)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2015, as originally stated (audited)	107,930	422,833	618,725	-	33,678	8,533	(390,381)	449,456	1,250,774	207,624	1,458,398
Effect of adopting merger accounting for common control combination (note 23)	-	-	-	733,852	16,644	-	-	(41,141)	709,355	1,094	710,449
At 1 January 2015, as restated (unaudited)	107,930	422,833	618,725	733,852	50,322	8,533	(390,381)	408,315	1,960,129	208,718	2,168,847
Acquisition of subsidiaries (note 22(b))	5,456	-	812,843	-	-	-	-	-	818,299	86,854	905,153
Profit and total comprehensive income for the period	-	-	-	-	-	-	-	525,284	525,284	524	525,808
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(9,546)	(9,546)
Transfers to retained profits upon disposal of a subsidiary	-	-	-	-	(24,130)	(8,533)	-	32,663	-	-	-
Consideration paid for acquisition of subsidiaries under common control combination	-	-	-	(695,000)	-	-	-	-	(695,000)	-	(695,000)
At 30 June 2015 (unaudited)	113,386	422,833	1,431,568	38,852	26,192	-	(390,381)	966,262	2,608,712	286,550	2,895,262
At 1 January 2014, as originally stated	16,474	422,833	-	-	25,298	8,533	(390,381)	(305,331)	(222,574)	27,829	(194,745)
Effect of adopting merger accounting for common control combinations (note 23)	-	-	-	733,852	10,022	-	-	26,815	770,689	1,644	772,333
At 1 January 2014, as restated (unaudited)	16,474	422,833	-	733,852	35,320	8,533	(390,381)	(278,516)	548,115	29,473	577,588
Issue of shares upon conversion of convertible bonds	10,383	-	77,263	-	-	-	-	-	87,646	-	87,646
(Loss) profit and total comprehensive (expense) income for the period	-	-	-	-	-	-	-	(189,616)	(189,616)	2,307	(187,309)
Transfers to statutory reserves	-	-	-	-	15,188	-	-	(15,188)	-	-	-
At 30 June 2014 (unaudited)	26,857	422,833	77,263	733,852	50,508	8,533	(390,381)	(483,320)	446,145	31,780	477,925



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Notes:

(i) Merger reserve

The merger reserve of the Group arose as a result of the acquisitions of subsidiaries under common control and represented the difference between the consideration paid for the acquisitions and the carrying amount of the net assets of the subsidiaries at the date when the Group and the acquired subsidiaries became under common control.

(ii) Statutory reserve

In accordance with the People's Republic of China (the "PRC") Company Law and the PRC subsidiaries' Articles of Association, a subsidiary registered in the PRC as a domestic company is required to appropriate 10% of its annual statutory net profit as determined in accordance with relevant statutory rules and regulations applicable to enterprises established in the PRC (after offsetting any prior years' losses) to the statutory reserve. When the balance of such reserve fund reaches 50% of the entity's capital, any further appropriation is optional. The statutory reserve can be utilised to offset prior years' losses or to increase capital. However, such balance of the statutory reserve must be maintained at a minimum of 25% of the capital after such usages.

(iii) Other reserve

Other reserve represented the net gain arising from the transactions relating to Jiangsu Province Fullshare Property Development Limited* (江蘇省豐盛房地產開發有限公司) ("Jiangsu Fullshare") between the non-controlling interests and the owners of Nanjing Fullshare Asset Management Limited* (南京豐盛資產管理有限公司) ("Nanjing Fullshare"), a wholly owned subsidiary of the Company, in previous years. The balance was fully transferred to retained profits upon disposal of Jiangsu Fullshare during the current interim period. Details of disposal are set out in note 21.

(iv) Equity reserve

Equity reserve represented (i) the difference between the paid-in capital of Nanjing Fullshare and the carrying amount of ordinary share capital of the Company immediately before the completion of the reverse takeover transaction in 2013 and (ii) the difference between deemed consideration given by Nanjing Fullshare and the nominal value of ordinary shares of the Company issued in respect of the reverse takeover transaction.

* English name for identification purpose only

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS*For the six months ended 30 June 2015*

	Six months ended	
	30/6/2015	30/6/2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited and restated)
Net cash from operating activities	293,935	3,343
Investing activities		
Acquisition of subsidiaries	(1,177,459)	–
Acquisition of property, plant and equipment	(3,786)	(855)
Proceeds from disposal of a subsidiary	30,006	–
Proceeds from disposal of property, plant and equipment	28,916	722
Withdrawal of pledged bank deposits	11,947	1,445
Interest received	819	226
Placement of pledged bank deposits	–	(2,654)
Acquisition of prepaid lease payments	–	(1,719)
Net cash used in investing activities	(1,109,557)	(2,835)
Financing activities		
Bank and other borrowings raised	2,152,380	68,070
Advance from a shareholder	7,996	–
Repayment of bank and other borrowings	(1,486,565)	(80,000)
Net cash from (used in) financing activities	673,811	(11,930)
Net decrease in cash and cash equivalents	(141,811)	(11,422)
Cash and cash equivalents at 1 January	325,013	122,777
Cash and cash equivalents at 30 June, represented by bank balances and cash	183,202	111,355



Interim Financial Information

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2015

1. GENERAL INFORMATION

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law (2007 Revised) of the Cayman Islands.

The principal activities of the Group are property development, provision of green building services and investment. In the opinion of the Directors, the parent and the ultimate holding company of the Company is Magnolia Wealth International Limited ("Magnolia Wealth"), in which Mr. Ji Changqun ("Mr. Ji") is the controlling shareholder, a limited company incorporated in the British Virgin Islands.

The condensed consolidated financial statements are presented in Renminbi ("RMB") which is the same as the functional currency of the Group.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") 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").

Adoption of merger accounting and restatement

As disclosed in note 23, several business combinations under common control were effected during the current interim period. The unaudited condensed consolidated financial statements incorporate the financial information of the combining entities as if they had been combined from the date when the combining entities first came under the control of the controlling party.

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2. BASIS OF PREPARATION (continued)

Adoption of merger accounting and restatement (continued)

The net assets of the combining entities are consolidated using the existing book values from the controlling parties' perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The unaudited condensed consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the unaudited condensed consolidated financial statements are restated as if the entities had been combined at the beginning of the previous reporting period or when they first came under common control, whichever is later. The impact on the Group arising from the common control combinations is disclosed in note 23 of this unaudited condensed consolidated financial statements.

3. 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 fair values, as appropriate.

Except for the adoption of merger accounting as disclosed in note 2 and as described below, the principal accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2015 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2014.



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3. PRINCIPAL ACCOUNTING POLICIES (continued)

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

Amendments to HKFRSs	Annual Improvements to HKFRSs 2010-2012 Cycle
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011-2013 Cycle
Amendments to HKAS 19	Defined Benefit Plans – Employee Contributions

The application of the above new amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the net amounts received and receivable for properties sold and green building services provided by the Group to external customers less sales related taxes.

The Group is principally engaged in the property development and provision of green building services. During the current interim period, the Group commenced to engage in a new segment – Investment. Specifically, the Group currently organises the reportable and operating segments as follows:

1. Property development – development and sales of properties;
2. Green building – green building services, which principally include green building, green urban Engineering-Procurement-Construction, Energy Management Contract services and other supporting services in relation to the operation of the relevant green building projects in the PRC; and
3. Investment – holding and trading of a variety of investments and financial products with potentials or for strategic purpose including but not limited to listed and unlisted securities, bonds, funds, derivatives, structured and other treasury products.

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4. REVENUE AND SEGMENT INFORMATION (continued)

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

	Six months ended							
	30/6/2015				30/6/2014			
	Property development RMB'000 (Unaudited)	Green building RMB'000 (Unaudited)	Investment RMB'000 (Unaudited)	Total RMB'000 (Unaudited)	Property development RMB'000 (Unaudited and restated)	Green building RMB'000 (Unaudited and restated)	Investment RMB'000 (Unaudited and restated)	Total RMB'000 (Unaudited and restated)
Revenue	1,577,405	122,562	-	1,699,967	357,526	8,452	-	365,978
Segment (loss) profit	(9,513)	74,972	304	65,763	81,064	1,874	-	82,938
Unallocated corporate expenses				(18,131)				(10,172)
Unallocated other income				65,576				13,527
Gain on fair value change in transferring properties held for sale to investment properties				147,464				-
Change in fair value of convertible bonds				-				(216,752)
Gain on disposal of a subsidiary				79,492				-
Gain on bargain purchase recognised in acquisition of subsidiaries				363,428				-
Finance costs				(62,395)				(3,212)
Profit (loss) before taxation				641,197				(133,671)

Segment (loss) profit represents the loss incurred for or profit earned by each segment without allocation of central administration costs, directors' salaries, finance costs, changes in fair value of convertible bonds, gain on fair value change in transferring properties held for sale to investment properties, gain on bargain purchase recognised in acquisition of subsidiaries, gain on disposal of a subsidiary and certain other income. This is the measure reported to the chief executive officer, being the chief operating decision maker, for the purposes of resource allocation and performance assessment.



Interim Financial Information

4. REVENUE AND SEGMENT INFORMATION (continued)

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

	30/6/2015				31/12/2014			
	Property development RMB'000 (Unaudited)	Green building RMB'000 (Unaudited)	Investment RMB'000 (Unaudited)	Total RMB'000 (Unaudited)	Property development RMB'000 (Unaudited and restated)	Green building RMB'000 (Unaudited and restated)	Investment RMB'000 (Unaudited and restated)	Total RMB'000 (Unaudited and restated)
Segment assets	5,863,824	633,190	10,000	6,507,014	3,410,546	547,739	30,024	3,988,309
Unallocated corporate assets				1,129,305				435,427
Total assets				<u>7,636,319</u>				<u>4,423,736</u>
Segment liabilities	1,590,037	275,736	-	1,865,773	796,386	141,664	-	938,050
Unallocated corporate liabilities				2,875,284				1,316,839
Total liabilities				<u>4,741,057</u>				<u>2,254,889</u>

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to operating segments other than certain property, plant and equipment, investment properties, deferred tax assets, consideration receivable, certain other receivables, deposit paid for potential acquisition of a subsidiary, tax prepaid, pledged bank deposits and bank balances and cash as these assets are managed on a group basis.
- All liabilities are allocated to operating segments other than certain other payables, amount due to a shareholder, consideration payables, bank and other borrowings, income tax payable, corporate bond and deferred tax liabilities as these liabilities are managed on a group basis.

Interim Financial Information

5. INCOME TAX EXPENSE

	Six months ended	
	30/6/2015	30/6/2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited and restated)
Current tax:		
PRC Enterprise Income Tax	123,848	26,056
PRC Land Appreciation Tax	82,403	31,699
	206,251	57,755
Deferred taxation	(90,862)	(4,117)
	115,389	53,638

6. PROFIT (LOSS) FOR THE PERIOD

	Six months ended	
	30/6/2015	30/6/2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited and restated)
Profit (loss) for the period have been arrived at after charging (crediting):		
Costs of properties held for sale recognised as expenses (included in cost of sales)	1,541,061	251,048
Rental income	(9,693)	(9,433)
Bank interest income	(819)	(226)
Other interest income	(54,911)	–
Gain on disposal of property, plant and equipment	(14,048)	–
Waiver of interests on convertible bonds	–	(2,922)
Depreciation of property, plant and equipment	4,906	1,455
Operating lease rentals of properties	2,936	1,108



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7. INTERIM DIVIDEND

No dividend was paid, declared or proposed during the interim period. The Directors have determined that no dividend will be paid in respect of the interim period (six months ended 30 June 2014: nil).

8. EARNINGS (LOSS) PER SHARE

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

	Six months ended	
	30/6/2015	30/6/2014
	RMB'000	RMB'000
		(Unaudited and restated)
	(Unaudited)	
Earnings (loss)		
Earnings (loss) for the purpose of basic and diluted earnings (loss) per share for the period attributable to the owners of the Company	525,284	(189,616)
	2015	2014
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	13,577,530	2,756,409

No diluted earnings per share for the six months ended 30 June 2015 is presented as there were no dilutive potential ordinary shares outstanding during the period.

The computation of diluted earnings per share for the six months ended 30 June 2014 did not assume the conversion of the Company's outstanding convertible bonds with a principal amount of HK\$435,000,000, since their exercise would reverse the result from a loss to a profit for the purpose of diluted earnings per share and result in an increase in earnings per share for the six months ended 30 June 2014.

Interim Financial Information

9. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the current interim period, the Group acquired certain property, plant and equipment at the cost of approximately RMB3,786,000 (six months ended 30 June 2014: RMB855,000). Also, the Group disposed of certain property, plant and equipment with an aggregate carrying amount of approximately RMB14,868,000 (six months ended 30 June 2014: RMB722,000) for cash proceeds of RMB28,916,000 (six months ended 30 June 2014: RMB722,000).

During the current interim period, certain properties held for sales with a carrying amount of approximately RMB169,536,000 were transferred to investment properties as these properties are held for rental income or appreciation purpose. The fair value of these properties of RMB317,000,000 at the date of transfer to investment properties were valued by Savills Valuation and Professional Services Limited ("Savills"), an independent qualified professional valuer not connected with the Group, by reference to comparable sales transactions as available in relevant markets and where appropriate, the basis of capitalisation of rental income derived from the existing tenancies with due allowance for reversionary income potential of the properties. Accordingly, a fair value gain of approximately RMB147,464,000 was recognised in the profit or loss during the current interim period.

At the end of the reporting period, the Group's investment properties were valued by Savills and Crowe Horwath (HK) Consulting & Valuation Limited (2014: CBRE Limited), independent qualified professional valuers not connected with the Group. The valuation was determined by reference to comparable sales transactions as available in relevant markets and where appropriate, the basis of capitalisation of rental income derived from the existing tenancies with due allowance for reversionary income potential of the properties. In estimating the fair value of the properties, the highest and best use of the properties is their current use.



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9. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES (continued)

Details of the Group's investment properties and information about the fair value hierarchy as at 30 June 2015, 31 December 2014 and the date of transfer being 31 May 2015 are as follows:

	Fair value as at 30 June 2015	Fair value as at the date of transfer	Fair value as at 31 December 2014
Level 2	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)
Commercial property units located in the PRC	322,600	322,600	317,000
	<u>5,600</u>	<u>5,600</u>	<u>5,600</u>

There were no transfers into or out of Level 2 fair value measurement during the six months ended 30 June 2015 (six months ended 30 June 2014: nil).

10. LOAN RECEIVABLE/TRADE AND OTHER RECEIVABLES

- (a) Loan receivable represented investment costs incurred for discharging the Company's obligations as the main contractor under an investment construction contract relating to a green building project for the People's Government of Huayang Town, Jurong City* (句容市華陽鎮人民政府) ("Jurong Government"), which amounted to RMB350,000,000 with a performance return rate of 9.5% per annum. The balance is unsecured and repayable by Jurong Government on or before 31 December 2016. On 30 June 2015, the Company and Jurong Government entered into a termination agreement whereby the investment construction contract was terminated and Jurong Government agreed to pay the investment amount, together with the corresponding return up to the date of payment, by no later than 25 August 2015 (which was subsequently extended to 16 October 2015 as requested by Jurong Government). Accordingly, loan receivable is classified as current assets.

* English name for identification purpose only

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10. LOAN RECEIVABLE/TRADE AND OTHER RECEIVABLES (continued)**(b) Trade and other receivables**

	30/6/2015 RMB'000 (Unaudited)	31/12/2014 RMB'000 (Unaudited and restated)
Trade receivables	111,846	12,758
Bills receivable	370	–
	112,216	12,758
Security deposit (note i)	31,439	29,775
Amount due from an independent third party (note ii)	163,591	–
Other receivables and deposits	22,825	17,279
Other tax prepaid	39,850	21,158
Prepayment for construction work	259,699	310,172
Prepayment for acquisition of land for properties under development	65,030	–
Other prepayments	2,778	3,519
	697,428	394,661

The Group does not hold any collateral over these balances.

As at 30 June 2015, amounts due from related companies of RMB11,513,000 (31 December 2014: RMB14,278,000) are included in other receivables and prepayment for construction work. The related companies are ultimately controlled by Mr. Ji and the balances are unsecured, interest-free and repayable on demand.



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10. LOAN RECEIVABLE/TRADE AND OTHER RECEIVABLES (continued)

(b) Trade and other receivables (continued)

The Group does not have a standardised and universal credit period granted to its customers, and the credit period of individual customers is considered on a case-by-case basis and stipulated in the relevant green building service contracts as appropriate.

An ageing analysis of trade and bills receivables of the Group, based on invoice date at the end of the reporting period, is as follows:

	30/6/2015	31/12/2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited and restated)
0 – 90 days	74,274	7,777
91 – 180 days	35,334	4,533
181 – 365 days	2,603	–
Over 1 year	5	448
	112,216	12,758

Notes:

- (i) Security deposits are paid to certain PRC's government authorities for the property development in the PRC. Such security deposits will be released upon completion of construction.
- (ii) The balance represented the dividend payable ("Unpaid Dividend") and amount due to Nanjing Fullshare, a subsidiary of the Company, by Jiangsu Fullshare assigned to Nanjing Shanbao Investment Management Limited* (南京善寶投資管理有限公司) ("Nanjing Shanbao") upon the disposal of Jiangsu Fullshare. Pursuant to the equity transfer agreement, Nanjing Shanbao has agreed to settle the Unpaid Dividend of approximately RMB36,727,000 and the amount due to Nanjing Fullshare of approximately RMB126,864,000 on behalf of Jiangsu Fullshare within 12 months and 120 business days respectively after 29 May 2015, the date of the equity transfer agreement. The amount due to Nanjing Fullshare and Unpaid Dividend are non-interest bearing up to the credit period. In the event that the amount due to Nanjing Fullshare is not repaid in full on time, the outstanding balance is charged at an interest rate of 15% per annum until full repayment is made.

* English name for identification purpose only

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11. FINANCIAL ASSET DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

During the current interim period, the Group has entered into an investment-linked insurance policy with an insurance company to insure certain key employees of a subsidiary of the Group, under which the Group is the beneficiary and policy holder for an one-off payment of RMB10,000,000. Under the policy, the payment is fully utilised to invest in groups of certain financial assets with fixed returns regulated and permitted by the China Insurance Regulatory Commission including bank deposits, bonds, funds, and securitised financial products. The Group designated this insurance policy as financial asset at fair value through profit or loss at initial recognition. As at 30 June 2015, the fair value of this policy is approximately RMB10,000,000. The fair value is quoted by the insurance company with reference to the future cash flow of the investment and is discounted by an appropriate discount rate.

12. TRADE AND OTHER PAYABLES

	30/6/2015 RMB'000 (Unaudited)	31/12/2014 RMB'000 (Unaudited and restated)
Trade payables	360,470	89,299
Bills payables	–	11,947
	360,470	101,246
Other tax payables	12,829	1,184
Other payables	131,156	80,520
Accrued expenses	332,017	161,664
	836,472	344,614

As at 30 June 2015, amounts due to related companies of RMB59,528,000 (31 December 2014: RMB23,641,000) are included in trade and other payables. The related companies are ultimately controlled by Mr. Ji and the balances are unsecured, interest-free and repayable on demand.



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12. TRADE AND OTHER PAYABLES (continued)

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

	30/6/2015	31/12/2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited and restated)
Within 90 days	8,745	72,756
91 – 180 days	191,001	14,355
181 – 365 days	9,799	2,564
Over 1 year	150,925	11,571
	360,470	101,246

The Group has financial risk management policies in place to ensure that all trade payables are settled within the credit timeframe.

13. RECEIPTS IN ADVANCE AND DEPOSITS RECEIVED

Receipts in advance and deposits received represent sales proceeds received from customers in connection with the Group's pre-sale of properties and energy management contract services.

14. ISSUED EQUITY

(a) Issued capital of the Group

	RMB'000
At 1 January 2014	439,307
Issuance upon conversion of convertible bonds (note 15)	79,829
Issuance under placing (note i)	11,627
	<hr/>
At 31 December 2014 and 1 January 2015	530,763
Issuance upon acquisition of subsidiaries (note ii and 22(b))	5,456
	<hr/>
At 30 June 2015	536,219
	<hr/> <hr/>

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14. ISSUED EQUITY (continued)

(a) Issued capital of the Group (continued)

Notes:

- (i) On 13 November 2014, the Company issued 680,000,000 ordinary shares of HK\$0.01 each for HK\$0.45 each, raising proceeds of HK\$306,000,000 (equivalent to approximately RMB241,649,000), before issue costs of RMB374,000.
- On 23 December 2014, the Company issued 780,000,000 ordinary shares of HK\$0.01 each for HK\$0.48 each, raising proceeds of HK\$374,400,000 (equivalent to approximately RMB300,337,000), before issue costs of RMB1,975,000.
- (ii) On 29 June, 2015, the Company issued 681,480,000 ordinary shares of HK\$0.01 each as consideration for the acquisition of subsidiaries (equivalent to approximately RMB5,456,000). Details of acquisition are set out in note 22(b).

(b) Share capital of the Company

	Number of shares	Nominal value of ordinary shares	
		HK\$'000	RMB'000
Ordinary shares of HK\$0.01 each			
Authorised:			
At 1 January 2014, 31 December 2014 and 30 June 2015	20,000,000,000	200,000	
Issued and fully paid:			
At 1 January 2014	2,110,000,000	21,100	16,474
Issuance upon conversion of convertible bonds (note 15)	10,000,000,000	100,000	79,829
Issuance under placing (note 14(a) (i))	1,460,000,000	14,600	11,627
At 31 December 2014 and 1 January 2015	13,570,000,000	135,700	107,930
Issuance upon acquisition of subsidiaries (note 22(b))	681,480,000	6,815	5,456
30 June 2015	14,251,480,000	142,515	113,386



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15. CONVERTIBLE BONDS

On 12 December 2013, the Company issued 2% convertible bonds with principal amount of HK\$500,000,000 (equivalent to approximately RMB390,381,000). The convertible bonds can be converted up to 10,000,000,000 ordinary shares at a conversion price of HK\$0.05 each. The convertible bonds entitled their holders to convert them into ordinary shares of the Company at any time from the date of the issue up to and including the date which is 5 business days prior to the maturity date (i.e. 12 December 2018) of the convertible bonds. All of the convertible bonds were fully converted into ordinary shares of the Company during the year ended 31 December 2014.

16. COMMITMENTS

a) Commitments under operating leases

The Group as lessor

Rental income earned during the six months ended 30 June 2015 was approximately RMB9,693,000 (six months ended 30 June 2014: RMB9,433,000). The Group leases its investment properties and sublets certain portion of its office premises under operating lease arrangement.

At the end of the reporting period, the Group had contracted with tenants for the following minimum lease payments:

	30/6/2015	31/12/2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited and restated)
Within one year	17,967	20,449
In the second to fifth year inclusive	41,110	46,189
Over five years	14,782	18,720
	73,859	85,358

The Group as lessee

The Group leases certain of its offices under operating lease arrangements. The leases typically run for an initial period of three to six years. Lease payments are usually increased annually to reflect market rentals. No provision for contingent rent and terms of renewal was established in the leases.

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16. COMMITMENTS (continued)

a) Commitments under operating leases (continued)

The Group as lessee (continued)

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which are payable as follows:

	30/6/2015	31/12/2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited and restated)
Within one year	4,972	5,187
In the second to fifth year inclusive	3,777	4,594
	8,749	9,781

b) Capital commitments

At the end of the reporting period, the Group had the following capital commitments for properties under development and acquisition of a subsidiary:

For properties under development

	30/6/2015	31/12/2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited and restated)
Contracted but not provided for	2,828,631	2,196,724

For acquisition of a subsidiary

	30/6/2015	31/12/2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited and restated)
Contracted but not provided for	-	667,000



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17. PLEDGE OF ASSETS

At the end of the reporting period, certain assets of the Group were pledged to secure banking facilities granted to the Group and other parties as follows:

	30/6/2015 RMB'000 (Unaudited)	31/12/2014 RMB'000 (Unaudited and restated)
Properties under development	2,471,133	1,523,508
Properties held for sale	–	153,629
Investment properties	40,649	–
Property, plant and equipment	–	12,753
Pledged bank deposits	–	11,947
	2,511,782	1,701,837

18. CONTINGENT LIABILITIES

	30/6/2015 RMB'000 (Unaudited)	31/12/2014 RMB'000 (Unaudited and restated)
Guarantees in respect of mortgage facilities for certain purchasers of the Group's property units	641,395	412,804

The Group has arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayments. Such guarantees terminate upon the earlier of (i) issue of the real estate ownership certificate which will generally be available within an average period of two to three years upon the completion of guarantee registration and receipt of such certificate by the mortgage banks; or (ii) the full payment of the mortgaged loans by the purchasers of properties.

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18. CONTINGENT LIABILITIES (continued)

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the date of grant of the mortgages. The Directors consider that the likelihood of default in payments by purchasers is minimal and in case of default in payments, the net realisable value of the related properties can recover the repayment of the outstanding mortgage principal together with the accrued interests and penalty. Therefore the financial guarantees measured at fair value are immaterial, no provision has been made.

19. FAIR VALUE MEASUREMENTS 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.

	Level 2	
	30/6/2015	31/12/2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited and restated)
Financial assets at fair value through profit or loss		
Financial asset designated at fair value through profit or loss	10,000	–
Structured deposit	–	30,024

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).

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;



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19. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; 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	Valuation technique	Level	Key input
Financial asset designated at fair value through profit or loss	Income approach: discounted cash flow method was used to capture the presented value of the expected future economic benefits to be derived from the financial assets, based on an appropriate discount rate.	2	Discount rate
Structured deposit	Income approach: discounted cash flow method was used to capture the presented value of the expected future economic benefits to be derived from the financial assets, based on an appropriate discount rate.	2	Discount rate

There were no transfer of fair value measured between Level 1 and Level 2 and no transfer into or out of Level 3 during the six months ended 30 June 2015 and the year ended 31 December 2014.

The Directors consider that the carrying amounts of the financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statement approximate their fair values.

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20. RELATED PARTIES TRANSACTIONS

- a) Save as disclosed elsewhere in the condensed consolidated financial statements, the Group entered into the following transactions during the six months ended 30 June 2015 and 2014:

Nature of transaction	Note	Six months ended	
		30/6/2015 RMB'000 (Unaudited)	30/6/2014 RMB'000 (Unaudited and restated)
(a) Purchase of construction materials from Jiangsu Fullshare Trading Development Company Limited* (江蘇豐盛貿易發展有限公司)		9,773	1,131
(b) Purchase of construction materials from Nanjing Fullshare Energy-saving Materials Co., Limited* (南京豐盛節能材料有限公司)		793	3,152
(c) Construction services provided by Hubei Fengshen Construction Co. Limited* (湖北風神淨化空調設備工程有限公司)		4,463	4,419
(d) Consultancy and design service provided by Jiangsu Fullshare Green Building Design Institute Limited* (江蘇豐盛綠色建築設計研究院有限公司)		2,556	400
(e) Subletting rental income from Fullshare Group Limited	(i)	1,195	–
(f) Operation and maintenance service income from Nanjing Fullshare Energy Science & Technology Company Limited* (南京豐盛新能源科技股份有限公司) ("Nanjing Fullshare Energy")		100	–

* English name for identification purpose only

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20. RELATED PARTIES TRANSACTIONS (continued)

a) (continued)

Nature of transaction	Note	Six months ended	
		30/6/2015 RMB'000 (Unaudited)	30/6/2014 RMB'000 (Unaudited and restated)
(g) Operation and maintenance service income from Wuhan Far-seeker Energy Technology Development Company Limited* (武漢法斯克能源科技發展有限公司)		-	250
(h) Information technology service provided by Nanjing Fullshare Industry Holding Group Co. Limited* (南京豐盛產業控股集團有限公司)		34	34
(i) Decoration construction services provided by Jiangsu Anke Medical Systems Engineering Co. Limited* (江蘇安科醫療系統工程有限公司)		-	99
(j) Waiver of interest on convertible bonds by Magnolia Wealth		-	2,922
(k) Interest expense paid to Nanjing Fullshare Energy		-	2,085

The above transactions are carried out at terms agreed by the Group and the respective counterparties, all of which are ultimately controlled by Mr. Ji, a substantial shareholder and a director of the Company.

Note:

- (i) The direct cost of the subletting rental income of the current interim period is approximately RMB937,000 (six month ended 30 June 2014: nil).

* English name for identification purpose only

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20. RELATED PARTIES TRANSACTIONS (continued)

b) Other borrowings from related parties

Save as disclosed elsewhere in the condensed consolidated financial statements, the Group has balances with related parties included in the bank and other borrowings of approximately RMB57,241,000 as at 30 June 2015 (31 December 2014: RMB73,992,000). The related companies are ultimately controlled by Mr. Ji and the balances are unsecured, interest-free and repayable on or before 31 December 2015.

c) Compensation of key management personnel

The remuneration of Directors and other members of key management during the six months ended 30 June 2015 and 2014 is as follows:

	Six months ended	
	30/6/2015	30/6/2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Salaries and other benefits in kind	3,488	3,418
Retirement benefits scheme contributions	82	79
	3,570	3,497

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

21. DISPOSAL OF A SUBSIDIARY

On 29 May 2015, the Group entered into a sale and purchase agreement with Nanjing Shanbao, an independent third party, for the disposal of its entire equity interest in Jiangsu Fullshare at a cash consideration of approximately RMB467,000,000. The transaction was completed on 25 June 2015.

* English name for identification purpose only



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21. DISPOSAL OF A SUBSIDIARY (continued)

The assets and liabilities of Jiangsu Fullshare at the date of disposal were as follows:

	RMB'000
Property, plant and equipment	670
Properties under development	539,203
Properties held for sales	136,281
Tax prepaid	25,611
Trade and other receivables	45,137
Bank balances and cash	16,694
Trade and other payables	(206,501)
Receipts in advance	(167,399)
Deferred tax liabilities	(2,188)
	<hr/>
Net assets disposal of	387,508
Gain on disposal of a subsidiary	79,492
	<hr/>
Total cash consideration	467,000
	<hr/>
Satisfied by:	
Cash received	46,700
Consideration receivable (Note)	420,300
	<hr/>
	467,000
	<hr/> <hr/>
Net cash inflow arising on disposal	
Cash consideration	46,700
Cash and cash equivalents disposed of	(16,694)
	<hr/>
	30,006
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Note: The consideration receivable will be settled in cash by Nanjing Shanbao within 120 business days after completion of the equity transfer procedures and registration with the relevant equity pledge with the relevant bureau, and is therefore classified as other receivables under current assets.

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21. DISPOSAL OF A SUBSIDIARY (continued)

During the six months ended 30 June 2015, Jiangsu Fullshare contributed a loss and cash outflows from operating activities of approximately RMB6,839,000 and RMB6,600,000 to the Group's profit and net operating cash flows respectively.

22. ACQUISITIONS OF SUBSIDIARIES

- (a) Acquisition of subsidiaries—Jiangsu Anjiali Zhiye Company Limited* (江蘇安家利置業有限公司) ("Jiangsu Anjiali") and its wholly-owned subsidiaries, Jurong Dingsheng Property Development Company Limited* (句容鼎盛房地產開發有限公司) and Jurong Dasheng Property Development Company Limited* (句容達盛房地產開發有限公司) (collectively referred to as "Anjiali Group").

On 20 January 2015, the Group entered into an agreement with independent third party, Nanjing Huigu Enterprise Management Consulting Co., Ltd.* (南京慧谷企業管理諮詢有限公司) to acquire the entire equity interests in Jiangsu Anjiali, a company engaged in property development in the PRC, for a cash consideration of approximately RMB438,000,000. The acquisition was completed on 12 February 2015.

Acquisition-related costs amounting to approximately RMB634,000 have been excluded from the consideration transferred and have been recognised as an expense during the six months ended 30 June 2015, within the administrative expenses in the condensed consolidated statement of profit or loss and other comprehensive income.

The Directors consider that the acquisition of Anjiali Group will benefit the Group through synergies and economies of scale. The acquisition of Anjiali Group had been accounted for using the acquisition method.

* English name for identification purpose only



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22. ACQUISITIONS OF SUBSIDIARIES (continued)

(a) Acquisition of Anjali Group (continued)

The fair values of the identified assets acquired and liabilities assumed in the above acquisition as at the date of acquisition were as follows:

	RMB'000
Property, plant and equipment	4,459
Properties under development	1,597,900
Properties held for sales	1,421,435
Tax prepaid	49,773
Other receivables	9,687
Bank balances and cash	26,013
Trade and other payables	(135,708)
Receipts in advance	(1,370,796)
Deferred tax liabilities	(303,071)
Other borrowings – due after one year	(498,264)
	<hr/>
	801,428
Gain on bargain purchase	(363,428)
	<hr/>
Total consideration	<u>438,000</u>
Analysis of net cash flow of cash and cash equivalents arising on acquisition	
Cash consideration paid	(438,000)
Less: cash and cash equivalents acquired	26,013
	<hr/>
Net cash outflow arising on acquisition	<u>(411,987)</u>

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22. ACQUISITIONS OF SUBSIDIARIES (continued)

(a) Acquisition of Anjali Group (continued)

The Group recognised a gain on a bargain purchase of RMB363,428,000 in the condensed consolidated statement of profit or loss or other comprehensive income for the six months period ended 30 June 2015. In the opinion of the Directors, the gain on bargain purchase is mainly attributable to the immediate cash realisation and business risk mitigation opportunity offered to the vendors and the Group's capability in negotiating the terms of the transaction in favor of the Group with the vendors.

The fair value and the gross contracted amount of other receivables at the date of acquisition amounted to approximately RMB9,687,000. No estimated uncollectible contractual cash flows were expected at the acquisition date.

From the date of the acquisition to 30 June 2015, Anjali Group has contributed net profit and revenue of approximately RMB267,823,000 and RMB1,281,465,000 respectively to the Group.

(b) Acquisition of subsidiaries – Zall Development (Shenyang) Limited* (卓爾發展(瀋陽)有限公司) (“Zall Development Shenyang”), Zall Trading Development (Xiaogan) Limited* (卓爾商貿發展(孝感)有限公司) (“Zall Trading Xiaogan”) and its wholly-owned subsidiary, Zall Development (Xiaogan) Limited* (卓爾發展(孝感)有限公司) (collectively referred to as “Zall Trading Group”) (together with Zall Development Shenyang, hereinafter collectively referred to as “Zall Group”)

On 24 June 2015, the Group entered into two agreements with an independent third party, Zall Development (HK) Holding Company Limited, to acquire a 90% equity interest in each of Zall Development Shenyang and Zall Trading Xiaogan by issuing 543,517,500 and 137,962,500 ordinary shares of HK\$0.01 each of the Company respectively. The fair values of the consideration shares were approximately RMB652,638,000 and RMB165,661,000 respectively, which was determined by reference to the closing market price of HK\$1.50 of the Company's share at the date of completion. The acquisition was completed on 26 June 2015.

* English name for identification purpose only

Interim Financial Information**22. ACQUISITIONS OF SUBSIDIARIES** (continued)**(b) Acquisition of Zall Group** (continued)

Acquisition-related costs amounting to approximately RMB624,000 have been excluded from the consideration transferred and have been recognised as an expense during the six months ended 30 June 2015, within the administrative expenses in the condensed consolidated statement of profit or loss and other comprehensive income.

The Directors consider that the acquisition of Zall Group will benefit the Group through synergies and economies of scale and increase the land banks. At the date of acquisition, Zall Development Shenyang is engaged in property development whilst Zall Trading Group only holds a piece of undeveloped land. Accordingly, the acquisition of Zall Development Shenyang had been accounted for using the acquisition method and the acquisition of Zall Trading Group has been accounted for as acquisition of assets through acquisition of subsidiaries.

The acquisition was completed on 26 June 2015, therefore Zall Group has contributed no revenue and no significant effect to the net profit before taxation of the Group for the six months period ended 30 June 2015.

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22. ACQUISITIONS OF SUBSIDIARIES (continued)**(b) Acquisition of Zall Group** (continued)

The fair values of the identified assets acquired and liabilities assumed in the above acquisitions as at the date of acquisition were as follows:

	Zall Development Shenyang RMB'000	Zall Trading Group RMB'000
Property, plant and equipment	456	146
Properties under development	1,126,000	106,789
Other receivables	108,741	116,695
Tax prepaid	1,604	–
Bank balances and cash	9,369	959
Deferred tax assets	–	10,385
Trade and other payables	(211,722)	(3,728)
Receipts in advance and deposit received	(165,208)	–
Deferred income – government grant	–	(37,739)
Income tax payable	–	(9,439)
Deferred tax liabilities	(23,757)	–
Bank and other borrowings	(161,010)	–
	<hr/>	<hr/>
Total identifiable net assets	684,473	184,068
Less: non-controlling interests	(68,447)	(18,407)
Goodwill	36,612	–
	<hr/>	<hr/>
Consideration shares at fair value	652,638	165,661
	<hr/>	<hr/>
Consideration paid	–	–
Add: cash and cash equivalents acquired	9,369	959
	<hr/>	<hr/>
Net cash inflow arising on acquisition	9,369	959
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22. ACQUISITIONS OF SUBSIDIARIES (continued)

(b) Acquisition of Zall Group (continued)

The fair value and the gross contracted amount of other receivables of Zall Development Shenyang and Zall Trading Group at the date of acquisition amounted to approximately RMB108,741,000 and RMB116,695,000 respectively. No estimated uncollectible contractual cash flows were expected at the acquisition date.

Goodwill which arose on the acquisition of Zall Development Shenyang included a control premium. The consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Zall Development Shenyang. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

On acquisition of Zall Trading Group, the Group allocates the consideration to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition.

23. BUSINESS COMBINATIONS UNDER COMMON CONTROL AND RESTATEMENTS

The Group adopts merger accounting for common control combinations in respect of the following transactions which occurred during the six months ended 30 June 2015:

- a) On 8 December 2014, the Group entered into an equity transfer agreement to acquire a 99% and 1% equity interest of Nanjing Fullshare Dazu Technology Company Limited* (南京豐盛大族科技股份有限公司) ("Nanjing Fullshare Technology") from Nanjing Fullshare Industrial Holding Group Co., Limited (南京豐盛產業控股集團有限公司) ("Nanjing Fullshare Holding") and Nanjing Xinmeng Asset Management Limited* (南京新盟資產管理有限公司) ("Xinmeng Asset") respectively for an aggregate cash consideration of RMB667,000,000. The acquisition was completed on 19 January 2015. Mr. Ji is the controlling shareholder of Nanjing Fullshare Holding and Xinmeng Asset.

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23. BUSINESS COMBINATIONS UNDER COMMON CONTROL AND RESTATEMENTS (continued)

- b) On 12 May 2015, the Group entered into an equity transfer agreement with Nanjing Fullshare Energy to acquire the entire equity interests in Nanjing Fullshare Energy Management Company Limited* (南京豐盛能源管理有限公司), Shanghai Far-seeker Energy Technology Company Limited* (上海法斯克能源科技有限公司) and Anhui Green Building Company Limited* (安徽省綠色建築有限公司) and a 95% equity interest in Nanjing Far-seeker Energy Technology Company Limited* (南京法斯克能源科技發展有限公司) at an aggregate consideration of RMB28,000,000. The acquisition was completed on 17 June 2015. Mr. Ji is the controlling shareholder of Nanjing Fullshare Energy.

The effects of the application of merger accounting for business combinations under common control occurred during the six months ended 30 June 2015 on the Group's financial position as at 31 December 2014 and 1 January 2014 and the results for the six months ended 30 June 2014 are summarised as follows:

For the six months ended 30 June 2014	As originally stated	Acquired subsidiaries	Adjustment	As restated
	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	295,005	70,973	-	365,978
(Loss) profit before taxation	(167,179)	28,626	4,882	(133,671)
Income tax expenses	(38,983)	(13,435)	(1,220)	(53,638)
(Loss) profit and total comprehension (expense) income for the period	(206,162)	15,191	3,662	(187,309)
(Loss) profit attributable to				
Owners of the Company	(208,506)	15,191	3,699	(189,616)
Non-controlling interests	2,344	-	(37)	2,307
(Loss) profit for the period	(206,162)	15,191	3,662	(187,309)

* English name for identification purpose only

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23. BUSINESS COMBINATIONS UNDER COMMON CONTROL AND RESTATEMENTS (continued)

As at 31 December 2014	As originally stated	Acquired subsidiaries	Adjustment	As restated
	RMB'000	RMB'000	RMB'000 (note)	RMB'000
Non-current assets	375,199	161,520	(15,074)	521,645
Current assets	2,793,443	1,016,019	92,629	3,902,091
Total assets	3,168,642	1,177,539	77,555	4,423,736
Non-current liabilities	68,384	–	6,444	74,828
Current liabilities	1,641,860	538,201	–	2,180,061
Total liabilities	1,710,244	538,201	6,444	2,254,889
Net assets	1,458,398	639,338	71,111	2,168,847
Capital and reserves				
Issued equity	530,763	606,000	(606,000)	530,763
Reserves	720,011	33,338	676,017	1,429,366
Non-controlling interests	207,624	–	1,094	208,718
Total equity	1,458,398	639,338	71,111	2,168,847

Interim Financial Information

23. BUSINESS COMBINATIONS UNDER COMMON CONTROL AND RESTATEMENTS (continued)

As at 1 January 2014	As originally stated	Acquired subsidiaries	Adjustment	As restated
	RMB'000	RMB'000	RMB'000 (note)	RMB'000
Non-current assets	8,498	127,169	–	135,667
Current assets	1,456,999	925,457	102,239	2,484,695
Total assets	1,465,497	1,052,626	102,239	2,620,362
Non-current liabilities	798,578	80,000	25,559	904,137
Current liabilities	861,664	276,973	–	1,138,637
Total liabilities	1,660,242	356,973	25,559	2,042,774
Net (liabilities) assets	(194,745)	695,653	76,680	577,588
Capital and reserves				
Issued equity	439,307	606,000	(606,000)	439,307
Reserves	(661,881)	89,653	681,036	108,808
Non-controlling interests	27,829	–	1,644	29,473
(Capital deficiency) total equity	(194,745)	695,653	76,680	577,588



Interim Financial Information

23. BUSINESS COMBINATIONS UNDER COMMON CONTROL AND RESTATEMENTS (continued)

Note:

The adjustments represented:

- (i) Elimination of the issued capital of the acquired subsidiaries.
- (ii) Fair value adjustments on assets and liabilities of Nanjing Fullshare Technology at the date when Mr. Ji has gained effective control of Nanjing Fullshare Technology on 10 December 2010.

The effects of application of merger accounting for common control combinations on the Group's basic and diluted loss per share for the six months ended 30 June 2014:

	RMB (Unaudited and restated)
As originally stated	(7.56) cents
Adjustment arising on common control combinations	0.68 cents
	<hr/>
As restated	(6.88) cents
	<hr/> <hr/>

24. EVENT AFTER THE REPORTING PERIOD

On 25 August 2015, at the request of Jurong Government, the Company agreed to extend the payment date of the investment amount of RMB350,000,000 to 16 October 2015. Details are set out in note 10(a).

Interim Financial Information

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION



SHINEWING (HK) CPA Limited
43/F., Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

TO THE BOARD OF DIRECTORS OF FULLSHARE HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the condensed consolidated financial statements of Fullshare Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 2 to 41, 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, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("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.



Interim Financial Information

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.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Wong Hon Kei, Anthony

Practising Certificate Number: P05591

Hong Kong
28 August 2015

Additional Information Required by the Listing Rules

BUSINESS REVIEW

The revenue of the Fullshare Holdings Limited (the “Company”) and its subsidiaries (the “Group”) for the six months ended 30 June 2015 was derived from the sales of properties and green building services.

Property sales

For the six months ended 30 June 2015, the revenue of the property sales of the Group was approximately RMB1,577,405,000, representing an increase of 341% as compared with the same period of 2014. In the first half year of 2015, the Group delivered properties with an aggregate gross floor area (“GFA”) of approximately 120,529 sq.m., representing an increase of 142% as compared with the same period of 2014. The average selling unit price recognised for the six months ended 30 June 2015 was RMB13,087 per sq.m..

For the six months ended 30 June 2015, the contracted sales amount of the Group (including the subsidiaries disposed of but excluding those acquired in June 2015) was approximately RMB589,087,000. Total area sold was approximately 51,992 sq.m. and the average selling unit price was RMB11,330 per sq.m.. For the same period in 2014, the contracted sales amount of the Group (including the subsidiaries acquired under common control) was approximately RMB276,719,000. The total area sold was approximately 42,802 sq.m., and the average selling unit price was approximately RMB6,465 per sq.m.. The contracted sales amount for the period increased by approximately RMB312,368,000 or 113%, which was mainly due to the increase in the subsidiaries in the property segment as acquired in the last quarter of 2014 and the first quarter in 2015, and the increase in the average selling unit price. Since more properties were sold in the Nanjing region during the period and such properties were relatively higher-end houses as compared with roughcast houses in Chongqing and Yancheng regions for the same period in 2014, they were sold in a higher per unit price.

As at 30 June 2015, the contracted sales amount of the Group (including all subsidiaries acquired but excluding those disposed of during the six months ended 30 June 2015) where the contracts were signed but the properties have not yet been delivered was approximately RMB1,203,470,000, with a total area of approximately 92,063 sq.m., providing a solid foundation for the continuous stable growth of the Group’s future revenue.

Additional Information Required by the Listing Rules

A summary of the major property developments and investment properties held by the Group as at 30 June 2015 is as follows:

Project name	Address	Project type	Construction progress of the projects	Expected completion date	Site area (sq.m.)	GFA Completed (sq.m.)	GFA under construction (sq.m.)	GFA to be constructed (sq.m.)	Accumulated contracted sales area (sq.m.)	Interests in the projects attributable to the Group
Shenyang Salon (瀋陽客廳)	Zachua Village, Zachua County, Yuhong District, Shenyang, Liaoning Province, the People's Republic of China (the "PRC")	Residential, commercial project	Under construction	Third quarter of 2017	157,531 (/Note)	-	150,761	253,181	25,512	90%
Yuhua Salon (雨花客廳)										
Yuhua Salon (雨花客廳) A1	No. 119 Ruanjian Avenue, Yuhuatai District, Nanjing, Jiangsu Province, the PRC	Office, commercial project	Completed	Completed	33,606	96,138	-	-	48,131	100%
Yuhua Salon (雨花客廳) A2	No. 119 Ruanjian Avenue, Yuhuatai District, Nanjing, Jiangsu Province, the PRC	Office, commercial project	Under construction	Fourth quarter of 2017	30,416	-	82,670	-	-	100%
Yuhua Salon (雨花客廳) C South	East to Ningdan Road, Yuhuatai District, Nanjing, Jiangsu Province, the PRC	Office, commercial project	Under construction	Second quarter of 2016	42,639	-	133,831	-	14,868	100%
Yuhua Salon (雨花客廳) C North	East to Ningdan Road, Yuhuatai District, Nanjing, Jiangsu Province, the PRC	Residential, commercial project	To be constructed	Second quarter of 2017	48,825	-	-	194,216	-	100%
Natural & Residential (天璽華府)										
Natural & Residential (天璽華府) Plot A & B	South to Nanji Road, north to Changlongshan Road, Huayang Town, Jurong City, Jiangsu Province, the PRC	Residential, commercial project	To be constructed	To be determined	128,239	-	-	417,762	-	100%
Natural & Residential (天璽華府) Plot C & D	South to Changlongshan Road, east to Yuanxiang Road, Huayang Town, Jurong City, Jiangsu Province, the PRC	Residential, commercial project	Under construction	Second quarter of 2020	135,693	-	195,956	247,220	13,658	100%
ZhuGong (諾公)	To the south-west of Yuhuatai Scenic Area, Nanjing, Jiangsu Province, the PRC	Residential project	Under construction	First quarter of 2016	49,220	-	96,298	-	14,773	80%

Additional Information Required by the Listing Rules

Project name	Address	Project type	Construction progress of the projects	Expected completion date	Site area (sq.m.)	GFA Completed (sq.m.)	GFA under construction (sq.m.)	GFA to be constructed (sq.m.)	Accumulated contracted sales area (sq.m.)	Interests in the projects attributable to the Group
Amber Garden (琥珀花園)										
Amber Garden (琥珀花園) Phase I	1 and 2 Jiadong, Xishanqiaojiedao, Yuhuatai District, Nanjing, Jiangsu Province, the PRC	Residential project	Completed	Completed	43,964	114,807	-	-	84,575	100%
Amber Garden (琥珀花園) Phase II	1 and 2 Jiadong, Xishanqiaojiedao, Yuhuatai District, Nanjing, Jiangsu Province, the PRC	Residential project	Under construction	Second quarter of 2016	35,753	-	99,420	-	4,703	100%
ShuXiangYuan (書香苑)	Area C, Plot 18-7/02, Yu Zhong Zu Tuan, Yu Zhong District, Chongqing, the PRC	Residential project	Completed	Completed	11,804	52,678	-	-	47,497	90%
TongJingYueCheng (同景躍城)	To the east of Yudong Street and Dajiang Road in Banan District, Chongqing, the PRC	Residential project	Under construction	Second quarter of 2016	51,172	146,617	60,407	-	118,004	90%
Total					768,862	410,240	819,343	1,112,379	371,721	

Plot for Xiaogan Taohuayi (孝感桃花驛) has a site area of approximately 156,691 sq.m.. As at 30 June 2015, the project is under planning and has not yet commenced. As such, it is excluded in the above summary.

Note: As at 30 June 2015, the plot for Shenyang Salon (瀋陽客廳) project (a piece of land with site area of approximately 51,572 sq.m.) has not yet obtained the land use certificate, and relevant application procedures are processing by the Group.



Additional Information Required by the Listing Rules

Projects held for future development

As at 30 June 2015, land plots that were newly acquired by the Group for future development include the land plot for Shenyang Salon (瀋陽客廳), Plot C North for Yuhua Salon (雨花客廳), Plot A and B for Natural & Residential (天壘華府), Plot C and D for Natural & Residential (天壘華府) and the land plot for Xiaogan Taohuayi (孝感桃花驛).

As at 30 June 2015, the projects of the Group held for future development were as follows:

Plot for Shenyang Salon (瀋陽客廳): The plot for Shenyang Salon (瀋陽客廳) has a site area of approximately 157,531 sq.m.. The expected total GFA upon completion is approximately 403,942 sq.m.. As at 30 June 2015, the total GFA held for future development of the project is approximately 253,181 sq.m..

Plot C North for Yuhua Salon (雨花客廳): The Plot C North for Yuhua Salon (雨花客廳) has a site area of approximately 48,825 sq.m.. The total GFA held for future development is approximately 194,216 sq.m., and the total saleable area is approximately 192,840 sq.m..

Plot A and B for Natural & Residential (天壘華府): The Plot A and B for Natural & Residential (天壘華府) have a site area of approximately 128,239 sq.m.. The total GFA held for future development is approximately 417,762 sq.m., and the total saleable area is approximately 394,655 sq.m..

Plot C and D for Natural & Residential (天壘華府): Plot C and D for Natural & Residential (天壘華府) have a site area of approximately 135,693 sq.m.. The expected total GFA upon completion is approximately 443,176 sq.m., and the total saleable area is approximately 417,151 sq.m.. As at 30 June 2015, the total GFA held for future development of the project is approximately 247,220 sq.m..

Plot for Xiaogan Taohuayi (孝感桃花驛): Plot for Xiaogan Taohuayi has a site area of approximately 156,691 sq.m.. As at 30 June 2015, the project is under planning and has not yet commenced.

Additional Information Required by the Listing Rules

Green building services

For the six months ended 30 June 2015, the Group's green building segment had completed the acquisition of the subsidiaries, namely Nanjing Far-seeker Energy Technology Company Limited* (南京法斯克能源科技發展有限公司) ("Nanjing Far-seeker"), Shanghai Far-seeker Energy Technology Company Limited* (上海法斯克能源科技有限公司) ("Shanghai Far-seeker"), Nanjing Fullshare Energy Management Company Limited* (南京豐盛能源管理有限公司) ("NFEM") and Anhui Green Building Company Limited* (安徽省綠色建築有限公司) ("Anhui Green Building") from Nanjing Fullshare Energy Science & Technology Company Limited* (南京豐盛新能源科技股份有限公司) ("Nanjing Fullshare Energy"), a connected person of the Company. The green building service segment is principally engaged in green building and green urban Engineering-Procurement-Construction ("EPC"), Energy Management Contract ("EMC") and other supporting services in the PRC.

For the six months ended 30 June 2015, the revenue from green building services was approximately RMB122,562,000, with the gross profit of approximately RMB71,588,000 and the gross profit margin of approximately 58%. The Group will endeavour to develop the green building business which will further expand the income source of the Group.

Investment

The Group commence to develop its investment business. For the six months ended 30 June 2015, the Group had entered into an investment-linked insurance policy with an insurance company to insure certain key employees of a subsidiary of the Group, under which the Group is the beneficiary and policy holder for an one-off payment of RMB10,000,000. Under the policy, the payment is fully utilised to invest in groups of certain financial assets with fixed returns as regulated and permitted by the China Insurance Regulatory Commission including bank deposits, bonds, funds, and securitised financial products.

Prospect

In the second half year of 2015, the Group will closely monitor the market conditions. On one hand, the Group will continue to maintain a stable development in its property business, while on the other hand, the Group will continue to speed up the development of green buildings and green urban EPC. At the same time, the Group will actively promote the development of grand health business, focus on the income and profitability targets, balance its business structure and provide its customers with higher quality and more comfortable services.

* English name for identification purpose only

Additional Information Required by the Listing Rules

In the first half year of 2015, a new operation segment of the Group was organised. The Group will continue to identify suitable investments and treasury products in the market, including but not limited to listed or unlisted investments, such as stocks, bonds, funds, investment derivatives, structured treasury products and other investments products on the principles of potential return of investments or the synergy effects from such investments, to further expand the sources of investment income and stabilize the direction of long-term investment strategy.

The Group will continue to adopt the sound financial management policy, promote foreign and domestic equity financing and debt financing, optimize financial structure and enhance financial security.

FINANCIAL REVIEW

Revenue

The revenue of the Group increased by approximately 365% from approximately RMB365,978,000 for the six months ended 30 June 2014 to approximately RMB1,699,967,000 for the six months ended 30 June 2015. The revenue for the period was derived from the property development segment and green building segment of approximately RMB1,577,405,000 and approximately RMB122,562,000 respectively, and the revenue in the same period of last year was mainly derived from the property development segment, which represented 98% of the total revenue.

The revenue of property development segment increased by approximately RMB1,219,879,000 or approximately 341% when compared to the same period of last year, which was mainly due to the delivery of the larger scale Amber Garden Phase I, under the newly acquired company Jiangsu Anjali Zhiye Company Limited* (江蘇安家利置業有限公司) and its subsidiaries (the "Anjali Group") during the period, in the first half year of 2015, whereas, in the first half year of 2014, only smaller scale projects such as ShuXiangYuan (書香苑) were delivered. The total delivered GFA of the Group's properties increased from approximately 49,705 sq.m. for the six months ended 30 June 2014 to approximately 120,529 sq.m. for the six months ended 30 June 2015, with the average selling price increased from approximately RMB7,193 per sq.m. to approximately RMB13,087 per sq.m. Such increase in the average selling price per unit resulted from the fact that those projects, which were mainly fully fitted out apartments delivered during the period were mainly concentrated in the Nanjing region and for price comparison purpose, have significant differences when compared with the roughcast houses in the Chongqing or Yancheng regions delivered during the same period of last year.

* English name for identification purpose only

Additional Information Required by the Listing Rules

Cost of sales

The cost of sales of the Group increased by approximately 524% from approximately RMB255,250,000 for the six months ended 30 June 2014 to approximately RMB1,592,035,000 for the six months ended 30 June 2015. The cost of sales for the period derived from the property development segment and the green building segment was approximately RMB1,541,061,000 and approximately RMB50,974,000 respectively. The cost of sales of the properties increased by approximately RMB1,290,013,000 or 514% as compared with the same period of last year. Such increase in costs was mainly due to the increase of 70,824 sq.m. or 142% in the area of properties delivered in the first half of the year as compared with the same period of last year. In addition, at the time of acquiring the Anjiali Group, most of the units of Amber Garden phase I were pre-sold. For accounting purpose, the costs of properties have to be recorded as their fair value, which increased the costs close to its selling price. Hence the extent of increase in the total cost of sales was higher than the increase in revenue.

Gross profit and gross profit margin

The gross profit of the Group decreased approximately by 3% from approximately RMB110,728,000 for the six months ended 30 June 2014 to approximately RMB107,932,000 for the six months ended 30 June 2015. The gross profit and gross profit margin for the period derived from the property development segment and the green building segment were approximately RMB36,344,000 and 2% and approximately RMB71,588,000 and 58% respectively. The gross profit and gross profit margin from the property development segment in the same period of last year were approximately RMB106,478,000 and 30% respectively.

Based on the foregoing, such decrease in gross profit margin in property sales was mainly due to the profit deriving from the sales of Amber Garden Phase I, which represented a substantial portion of total sales for this period, has been reflected in the gain on bargain purchase when acquiring Anjiali Group and thus dragged down the overall gross profit margin. If this accounting effect is excluded, the gross profit for all property sales for the period should be approximately RMB469,089,000, with an increment of approximately RMB362,611,000 as compared with the same period of last year and the gross profit margin was approximately 31%.

Additional Information Required by the Listing Rules

Other income

Other income increased by approximately 501% from approximately RMB13,527,000 for the six months ended 30 June 2014 to approximately RMB81,360,000 for the six months ended 30 June 2015. Other income for the period mainly included leasing income of approximately RMB9,396,000, amortization of the one-off deferred income of borrowings of approximately RMB39,131,000 due to the early repayment, gain on disposal of owner-occupied property of approximately RMB14,048,000 and the investment return from Jurong project of approximately RMB15,479,000, whereas other income for the first half year of 2014 mainly included leasing income of approximately RMB9,433,000 and the waiver of interest of the convertible bonds of approximately RMB2,922,000.

Gain on bargain purchase recognized in acquisition of subsidiaries

In February 2015, the Group completed the acquisition of the 100% equity interest of Anjiali Group with a consideration of RMB438,000,000. As the fair value of the net assets acquired is higher than the purchase consideration, the Group recorded a gain on bargain purchase recognised in acquisition of subsidiaries of approximately RMB363,428,000. There was no similar acquisition gain in the same period of 2014.

Gain on fair value change in transferring properties held for sale to investment properties

The carrying amount of approximately RMB169,536,000 for certain properties held for sale held by the Group was transferred to investment properties during the period, and a gain on change in fair value of approximately RMB147,464,000 was resulted. There was no similar gain in the same period of 2014.

Gain on disposal of a subsidiary

In June 2015, the Group completed the disposal of the 100% equity interest of Jiangsu Province Fullshare Property Development Limited* (江蘇省豐盛房地產開發有限公司) (“Jiangsu Fullshare”) at a consideration of RMB467,000,000. After deducting its net asset value at the time of disposal Jiangsu Fullshare, the Group recorded a gain of approximately RMB79,492,000. There was no similar gain in the same period of 2014.

* English name for identification purpose only

Additional Information Required by the Listing Rules

Selling expenses

Selling expenses of the Group increased by approximately 52% from approximately RMB16,741,000 for the six months ended 30 June 2014 to approximately RMB25,442,000 for the six months ended 30 June 2015, which was mainly due to the Group's inclusion of the related expenses in the first half year of 2015 of approximately RMB7,922,000 for the completion of the acquisition of the several subsidiaries of the property development segment in the fourth quarter of 2014 and the first quarter of 2015, whereas the promotion works for the period were mainly concentrated on new projects such as Yuhua Salon (雨花客廳), ZhuGong (諸公) and Amber Garden (琥珀花園) Phase II.

Administration expenses

Administrative expenses of the Group increased by approximately 139% from approximately RMB21,221,000 for the six months ended 30 June 2014 to approximately RMB50,642,000 for the six months ended 30 June 2015, which was mainly due to the inclusion of the administrative expenses in the first half year of 2015 of approximately RMB15,376,000 for the several subsidiaries newly acquired in the fourth quarter of 2014 and the first quarter of 2015. Apart from this, the Group's administrative expenses were approximately RMB14,045,000 more than that in the same period of last year, which mainly included professional fees, wages and rents.

Finance costs

For the six months ended 30 June 2015, the Group incurred finance costs of approximately RMB62,395,000, which mainly comprised two parts, namely, the one-off non-cash accounting finance cost of approximately RMB36,345,000 due to the early repayment of the non-interest bearing borrowings; and the provision of the interest expenses of non-capitalization borrowings of approximately RMB23,975,000 which were mainly used for expanding the Group's business.

Profit/loss before taxation

For the six months ended 30 June 2015, the Group recorded a profit before taxation of approximately RMB641,197,000. If the gain on bargain purchase recognized in acquisition of subsidiaries of approximately RMB363,428,000, the gain on fair value change in transferring properties held for sale to investment properties of approximately RMB147,464,000, the gain on disposal of a subsidiary of approximately RMB79,492,000 are excluded, profit before taxation for the period would amount to approximately RMB50,813,000.

Additional Information Required by the Listing Rules

Income tax expense

For the six months ended 30 June 2015, the PRC Enterprise Income Tax ("EIT") expense, PRC Land Appreciation Tax ("LAT") expense and deferred tax credit of the Group amounted to approximately RMB123,848,000, RMB82,403,000 and RMB90,862,000 respectively, and for the six months ended 30 June 2014, the PRC EIT expense, the PRC LAT expense and the deferred tax credit amounted to approximately RMB26,056,000, RMB31,699,000 and RMB4,117,000 respectively.

The PRC EIT in the first half year of 2015 increased by approximately RMB97,792,000, which was mainly due to the provision for PRC EIT of approximately RMB90,215,000 and RMB16,750,000 contributed by the profits arising from the sales of Amber Garden and the disposal of subsidiaries during the period respectively.

The PRC LAT in the first half year of 2015 increased by approximately RMB50,704,000 as compared with the same period of last year, which was mainly due to the significant increase in sales of real estate projects during the period as compared with the same period of last year.

The deferred tax credit for the period was derived from the reversal of deferred tax liabilities of approximately RMB157,854,000 recognised at the date of acquisition of Anjali Group upon the delivery of Amber Garden Phase I. Such credit was set off against the current PRC EIT and PRC LAT provided for this project. Furthermore, the deferred tax expense of approximately RMB65,806,000 were recognised as a result of the gain on fair value change in transferring properties held for sale to investment properties during the period.

Profit/loss for the review period

For the six months ended 30 June 2015, the Group recorded a profit of approximately RMB525,808,000. Excluding the gain on bargain purchase recognized in the acquisition of a subsidiary of approximately RMB363,428,000, gain on fair value change in transferring properties held for sale to investment properties of approximately RMB147,464,000, gain on disposal of a subsidiary of approximately RMB79,492,000, finance costs of approximately RMB23,975,000 incurred to finance the acquisition of subsidiaries and the relevant tax expenses or provision for deferred tax of approximately RMB82,556,000, the Group recorded a net profit for the period of approximately RMB41,955,000. For the six months ended 30 June 2014, the Group recorded a net loss of approximately RMB187,309,000, and, excluding the loss on change in fair value of convertible bonds of approximately RMB216,752,000, the Group recorded a net profit for the period of approximately RMB29,443,000. Profit for the first half of 2015 increased by approximately RMB12,512,000 as compared with the same period of last year.

Additional Information Required by the Listing Rules

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

The Group financed its operations and investments mainly by internally generated funds, proceeds from placing of the shares of the Company and borrowings.

Cash position

As at 30 June 2015, the Group had cash and bank balances of approximately RMB183,202,000 (31 December 2014: RMB325,013,000, excluding pledged bank deposits), representing a decrease of approximately 44% from 31 December 2014.

Bank and other borrowings

As at 30 June 2015, the total bank loans and other borrowings of the Group amounted to approximately RMB2,235,192,000, including bank loans of approximately RMB696,010,000 and other loans of approximately RMB1,539,182,000. Among the total bank loans and other borrowings, approximately RMB1,057,192,000 are repayable within one year and approximately RMB1,178,000,000 are repayable in more than one year but not exceeding two years.

The balance of borrowings at the end of the period increased by approximately RMB1,325,089,000 as compared with that at the end of last year. This was mainly due to the increase in the balances on acquisition of certain acquisition projects through borrowings and to finance the development projects undertaken by some newly acquired subsidiaries during the period.

Leverage

The total cash and bank balances of the Group amounted to approximately RMB183,202,000 as at 30 June 2015 (31 December 2014: approximately RMB325,013,000, excluding pledged bank deposits). Balances of bank loans and other borrowings, amounts due to a shareholder, consideration payables and corporate bond amounted to approximately RMB2,327,888,000 as at 30 June 2015 (31 December 2014: approximately RMB1,125,765,000). The gearing ratio of the Group as at 30 June 2015, calculated as a ratio of total bank and other borrowings, amount due to a shareholder, consideration payables and corporate bond to total assets, was approximately 30% (31 December 2014: approximately 25%). Net equity of the Group was approximately RMB2,895,262,000 (31 December 2014: approximately RMB2,168,847,000).

Additional Information Required by the Listing Rules

The Group recorded the total current assets of approximately RMB7,100,268,000 as at 30 June 2015 (31 December 2014: approximately RMB3,902,091,000) and the total current liabilities of approximately RMB3,274,394,000 (31 December 2014: approximately RMB2,180,061,000). The current ratio of the Group, calculated by dividing the total current assets by the total current liabilities, was about 2.2 as at 30 June 2015 (31 December 2014: approximately 1.8).

FOREIGN EXCHANGE EXPOSURE

Sales and purchases by the Group were transacted in Renminbi. Save for the bank balance and cash of approximately RMB1,732,000, amount due to shareholder of approximately RMB16,811,000 and corporate bond of approximately RMB7,211,000 as at 30 June 2015 (31 December 2014: approximately RMB75,066,000, approximately RMB8,815,000 and approximately RMB7,089,000 respectively) which were denominated in Hong Kong dollar, most of the Group's assets and liabilities were denominated in Renminbi. The directors of the Company ("Directors") are aware that the fluctuations in exchange rate between Hong Kong dollar and Renminbi may give rise to potential foreign currency risk. The Group currently does not have a foreign currency hedging policy and will continue to evaluate the Group's foreign currency exposure and take actions as appropriate.

TREASURY POLICIES

As at 30 June 2015, save for the borrowings of approximately RMB2,180,192,000 of the Group denominated in Renminbi at fixed interest rate and the corporate bond of approximately RMB7,211,000 denominated in Hong Kong dollar at fixed interest rate (31 December 2014: the borrowings of approximately RMB557,913,000 denominated in Renminbi at fixed interest rate and the corporate bond of approximately RMB7,089,000 denominated in Hong Kong dollar at fixed interest rate), the Group's other borrowings were mainly denominated in Renminbi and bear interest at variable interest rates. Bank balances and cash held by the Group were denominated in Renminbi and Hong Kong dollar. The Group currently does not have a foreign currency and interest rate hedging policy. However, the management of the Group monitored foreign exchange and interest rate exposure from time to time and will consider hedging significant foreign currency and interest rate exposure should the need arise.

As at 30 June 2015, trade and bills receivables and trade and bills payables of the Group were approximately RMB112,216,000 and RMB360,470,000 respectively. The Group has a policy in financial risk management to ensure that all amounts were received or repaid during the credit period. For trade payables with aging over one year of approximately RMB150,925,000, the Group had made separate assessments and reached a consensus for repayment time with the relevant suppliers.

Additional Information Required by the Listing Rules

PLEDGE OF ASSETS

As at 30 June 2015, details of the Group's pledged assets are set out in note 17 to the condensed consolidated financial statements.

INVESTMENT PROPERTIES

As at 30 June 2015, details of the Group's investment properties are set out in note 9 to the condensed consolidated financial statements.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES OR ASSOCIATED COMPANIES

To expand the operation scale and improve the quality of the assets of the Group, the Group conducted the following corporate acquisitions and disposals during the six months ended 30 June 2015:

On 19 January 2015, the Group completed the acquisition of the 100% equity interests in Nanjing Fullshare Dazu Technology Company Limited* (南京豐盛大族科技股份有限公司) ("Nanjing Fullshare Technology") at a total consideration of RMB667,000,000, details of which were set out in the announcements of the Company dated 8 December 2014, 16 January 2015 and 19 January 2015 and the circular of the Company dated 30 December 2014.

On 12 February 2015, the Group completed the acquisition of the 100% equity interests in the Anjiali Group at a total consideration of RMB438,000,000, details of which were set out in the announcement and circular of the Company dated 20 January 2015 and 10 February 2015 respectively.

On 17 June 2015, the Group completed the acquisition of the 100% equity interests in three subsidiaries and 95% equity interest in another subsidiary of Nanjing Fullshare Energy at a total consideration of RMB28,000,000, details of which were set out in the announcement of the Company dated 12 May 2015.

* English name for identification purpose only

Additional Information Required by the Listing Rules

On 25 June 2015, the Group completed the disposal of the 100% equity interests in Jiangsu Fullshare at a total consideration of RMB467,000,000, details of which were set out in the announcement and circular of the Company dated 29 May 2015 and 19 June 2015 respectively.

On 26 June 2015, the Group completed the acquisition of the 90% equity interests in Zall Development (Shenyang) Limited* (卓爾發展(瀋陽)有限公司) and Zall Trading Development (Xiaogan) Limited* (卓爾商貿發展(孝感)有限公司) and its subsidiary at a total consideration of RMB736,000,000 settled by way of full allotment and issue of 681,480,000 ordinary shares of the Company, details of which were set out in the announcements of the Company dated 9 April 2015 and 24 June 2015 respectively.

The Company confirms that it has complied with all the disclosure requirements under Chapter 14 and Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules").

For the six months ended 30 June 2015, save as disclosed in this interim report, the Group did not have any material acquisition or disposal of subsidiaries, associates or assets.

SEGMENT INFORMATION

Details of the segment information of the Group for the six months ended 30 June 2015 are set out in note 4 to the condensed consolidated financial statements.

CAPITAL COMMITMENTS

Details of the capital commitments of the Group as at 30 June 2015 are set out in note 16 to the condensed consolidated financial statements.

CONTINGENT LIABILITIES

Details of the contingent liabilities of the Group as at 30 June 2015 are set out in note 18 to the condensed consolidated financial statements.

* English name for identification purpose only

Additional Information Required by the Listing Rules

STAFF AND REMUNERATION POLICIES

As at 30 June 2015, the Group had about 518 employees (31 December 2014: 263 employees). The Group's total staff costs (including executive directors' remuneration) amounted to approximately RMB21,889,000 for the six months ended 30 June 2015 (six months ended 30 June 2014: RMB11,039,000). Employee remunerations are determined according to the operating results of the Company, job requirements, market salary level and ability of individuals. The Group regularly reviews its remuneration policy and programs and makes necessary adjustment to bring them in line with the industry level. In addition to basic salaries, the Company has established the revenue sharing programs and performance appraisal plans to provide rewards according to the Company's results and employees' individual performance.

SUBSEQUENT EVENT

Details of the subsequent event of the Group for the six months ended 30 June 2015 is set out in note 24 to the condensed consolidated financial statements.

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

During the six months end 30 June 2015, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Additional Information Required by the Listing Rules

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2015, the interests and short positions of the Directors and the chief executive of the Company in the shares (the "Shares"), underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which (i) were required 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 were taken or deemed to have under such provisions of the SFO; (ii) were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

(i) Long positions in the Shares or underlying Shares

Name of Director	Name of company in which interests were held	Nature of interests	Number of issued Shares held	Percentage of the issued share capital of the Company
Ji Changqun ("Mr. Ji")	The Company	Ultimate beneficial owner (Note 2)	9,181,497,954 (Note 1)	64.42%
Mr. Shi Zhiqiang	The Company	Beneficial owner	2,780,000	0.02%
Mr. Wang Bo	The Company	Beneficial owner	6,000,000	0.04%

Notes:

- (1) These shares are being held by Magnolia Wealth International Limited (the "Magnolia Wealth").
- (2) Mr. Ji is the sole shareholder of Magnolia Wealth and is deemed to be interested in the same 9,181,497,954 Shares pursuant to the SFO.

Additional Information Required by the Listing Rules

(ii) Long positions in the Shares of the Company's associated corporation

Name of Director	Name of company in which interests were held	Nature of interests	Number of issued Shares held	Percentage of the issued share capital of the Company
Mr. Ji	Magnolia Wealth	Beneficial owner	1	100%

Save as disclosed above, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise to be notified to the Company and the Stock Exchange pursuant to the Model Code as at 30 June 2015.

Save as disclosed above, as at 30 June 2015, none of the Directors was a director or employee of a company which had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO.

Additional Information Required by the Listing Rules

SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors and the chief executive of the Company, as at 30 June 2015, the following persons (other than a Director or chief executive of the Company) had an interest or a short position in the Shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

(i) Long positions in the Shares or underlying Shares

Name of Shareholders	Nature of interests	Number of issued Shares held	Percentage of the issued share capital of the Company
Magnolia Wealth	Beneficial owner (Note 1)	9,181,497,954	64.42%
Superb Colour Limited ("Superb Colour")	Beneficial owner (Note 2)	961,538,450	7.09%
Huarong (HK) International Holdings Limited (華融(香港) 國際控股有限公司) ("Huarong (HK)")	Interest of controlled corporation (Note 2)	961,538,450	7.09%
Huarong Real Estate Co., Ltd. (華融置業有限 責任公司) ("Huarong Real Estate")	Interest of controlled corporation (Note 2)	961,538,450	7.09%
China Huarong Asset Management Co., Ltd. (中國華融資產管 理股份有限公司) ("China Huarong")	Interest of controlled corporation (Note 2)	961,538,450	7.09%
Ministry of Finance of the People's Republic of China (中華人民共和 國財政部) (the "MFC")	Interest of controlled corporation (Note 2)	961,538,450	7.09%

Additional Information Required by the Listing Rules

Notes:

1. The entire issued share capital of Magnolia Wealth is beneficially owned by Mr. Ji.
2. Reference is made to the announcement of the Company dated 9 January 2015. On 9 January 2015, Magnolia Wealth entered into a conditional transfer agreement to transfer 961,538,450 Shares to Superb Colour. As at 30 June 2015, Superb Colour is interested in 961,538,450 Shares. Superb Colour is a wholly-owned subsidiary of Huarong (HK), which in turn is owned as to 88.1% by Huarong Real Estate. Huarong Real Estate is a wholly-owned subsidiary of China Huarong, which in turn is owned as to 77.49% by the MFC, a State-owned entity. As such, each of Huarong (HK), Huarong Real Estate, China Huarong and the MFC is deemed to be interested In the said Shares under the SFO.

(ii) Short positions in the Shares or underlying Shares

Name of Shareholders	Nature of interests	Number of issued Shares held	Percentage of the issued share capital of the Company
Superb Colour	Beneficial owner (Note)	961,538,450	7.09%
Huarong (HK)	Corporate interest (Note)	961,538,450	7.09%
Huarong Real Estate	Corporate interest (Note)	961,538,450	7.09%
China Huarong	Corporate interest (Note)	961,538,450	7.09%
The MFC	Ultimate beneficial owner (Note)	961,538,450	7.09%

Note: Reference is made to the disclosure of interest forms dated 13 January 2015 of Superb Colour, Huarong (HK), Huarong Real Estate, China Huarong and the MFC published on the Stock Exchange's website. As at 30 June 2015, Superb Colour has a short position in 961,538,450 Shares. Superb Colour is interested in 961,538,450 Shares. Superb Colour is a wholly-owned subsidiary of Huarong (HK), which in turn is owned as to 88.1% by Huarong Real Estate. Huarong Real Estate is a wholly-owned subsidiary of China Huarong, which in turn is owned as to 77.49% by the MFC, a State-owned entity. As such, each of Huarong (HK), Huarong Real Estate, China Huarong and the MFC is deemed to be interested In the said Shares under the SFO.



Additional Information Required by the Listing Rules

Save as disclosed above, no other person (other than a director or chief executive of the Company) had any interests or short positions in the Shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO as at 30 June 2015.

COMPETING BUSINESS

As disclosed in the circular of the Company dated 28 October 2013 relating to, amongst other things, very substantial acquisition in relation to the acquisition of Nanjing Fullshare Asset Management Limited and reverse takeover involving a new listing application (the "RTO Circular"), pursuant to the non-competition undertaking dated 25 October 2013 entered into between Mr. Ji and Magnolia Wealth as the controlling shareholders and the Company (the "Non-Competition Undertaking"), save for continuing their engagements in the Excluded Projects (as defined in the RTO Circular) and certain exceptions relating to their holding of and/or being interested in shares and other securities in any member of the Group and any other company listed on recognised stock exchange engaging in the restricted business (please refer to the RTO Circular for details) set out in the non-competition undertaking, the controlling shareholders will not be allowed to engage in any residential property (including villas) and mixed-use property (as defined in the section headed Glossary of Technical Terms of the RTO Circular) development business in the PRC and they will be only involved in the commercial property development business. As at 30 June 2015, the controlling shareholders were engaging in the development of the three property projects located in Nanjing, Wenchang and Dujiangyan in the PRC and ten property projects located in Australia and Canada through the Excluded Companies (as defined in the RTO Circular). Nanjing Fullshare Technology, which was an Excluded Company (as defined in the RTO Circular) through which the controlling shareholders engage in an Excluded Project (as defined in the RTO Circular) named Yuhua Salon (雨花客廳), previously known as FengShengShangHui (豐盛商匯), has become an indirect wholly-owned subsidiary of the Group since 19 January 2015. Save for the Non-Competition Undertaking, as at 30 June 2015, the controlling shareholders did not give any other non-competition undertaking to the Company.

Additional Information Required by the Listing Rules

As disclosed in the announcements of the Company dated 22 March 2015 and 12 May 2015, an indirect wholly-owned subsidiary of the Company, as purchaser, entered into an equity transfer agreement (the “May 2015 Agreement”) dated 12 May 2015 to acquire, amongst other things, the entire equity interest of each of NFEM, Shanghai Far-seeker and Anhui Green Building, and 95% equity interest in Nanjing Far-seeker from Nanjing Fullshare Energy, as vendor. Nanjing Far-seeker is principally engaged in the business of investment in, construction management and operation management of energy station whereas the rest of the aforesaid target companies are principally engaged in the businesses of green building consultancy, regional energy planning, green building technology research and development, EMC in hotel, hospital and office park. All of the aforesaid target companies except for Shanghai Far-seeker have become subsidiaries of the Company as at 12 June 2015. Whereas Shanghai Far-seeker became a subsidiary of the Company as at 17 June 2015. Upon completion of the acquisition, the remaining business of Nanjing Fullshare Energy, namely two projects involving investments in, construction of and management of energy station (collectively, the “Energy Station Projects”, each a “Energy Station Project”), will compete with the principal business of Nanjing Far-seeker. As at 30 June 2015, Nanjing Fullshare Energy was owned by Mr. Ji as to approximately 77.53% while Mr. Ji was one of the directors of Nanjing Fullshare Energy. Since the Energy Station Projects do not fall within the meaning of the “restricted business” under the Non-Competition Undertaking, namely the business in the real estate development of residential properties and the mixed-use properties (as defined in the section headed Glossary of Technical Terms of the RTO Circular) in the PRC, Mr. Ji’s interest in Nanjing Fullshare Energy does not constitute any breach of the Non-Competition Undertaking. At the time the May 2015 Agreement was entered into, the Company was not satisfied with the results of the preliminary financial due diligence review on one of the Energy Station Projects and there was limited financial information on the other Energy Station Project as Nanjing Fullshare Energy succeeded in the bid of the other Energy Station Project in March 2015 (the “New Energy Station Project”) and therefore the Energy Station Projects were not acquired under the May 2015 Agreement. Depending on the results of the due diligence review to be conducted by the Group and/or the professional advisers engaged by the Group on, among others, the financial and legal aspects of the New Energy Station Project and the negotiations to be conducted between the Group and Nanjing Fullshare Energy, the Group may or may not consider acquiring the New Energy Station Project. No definitive agreement relating to the acquisition of the New Energy Station Project was entered into by the Group as at 30 June 2015. Further announcement(s) will be made by the Company pursuant to the Listing Rules as and when appropriate.



Additional Information Required by the Listing Rules

The Company has received the written declarations on their compliance with the undertaking under the Non-Competition Undertaking from Mr. Ji and Magnolia Wealth for the six months ended 30 June 2015. Based on the confirmations received from Mr. Ji and Magnolia Wealth and after review, our independent non-executive Directors considered that Mr. Ji and Magnolia Wealth had complied with the terms set out in the Non-Competition Undertaking for the six months ended 30 June 2015.

Save as disclosed above, as at 30 June 2015, none of the Directors or their respective close associates (as defined in the Listing Rules) had any interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

CHANGES IN DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes of the Directors' details since the date of the last annual report of the Company are set out below.

Mr. Zhou Yanwei resigned as an executive Director with effect from 31 March 2015.

Mr. Eddie Hurip was re-designated from an executive Director to a non-executive Director with effect from 31 March 2015.

Mr. Chen Minrui has been appointed as a non-executive Director with effect from 31 March 2015.

CORPORATE GOVERNANCE CODE

The Company has applied the principles and complied with the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Listing Rules during the six months ended 30 June 2015 except for the following deviations:

1. Code Provision A.2.1

Under the Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. During the review period, the positions of chairman and chief executive officer of the Company ("CEO") were held by Mr. Ji. The board (the "Board") of Directors believed that the holding of both positions of chairman and CEO by the same individual allowed more effective planning and execution of business strategies. The Board has full confidence in Mr. Ji and believes that his dual roles will be beneficial to the Group.

2. Code Provision A.4.1

Non-executive Directors should be appointed for specific term, subject to re-election. The independent non-executive Directors were not appointed for a specific term, but they were subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company at least once every three years.

Additional Information Required by the Listing Rules

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Company has established an audit committee with written terms of reference in compliance with the CG Code as set out in Appendix 14 to the Listing Rules. The primary duties of the audit committee of the Company are to review and supervise the financial reporting process and internal control system of the Group and to review the Company's interim and annual reports and financial statements. The audit committee of the Company currently comprises three independent non-executive Directors.

The members of the audit committee of the Company during the period and up to the date of this report were Mr. Chow Siu Lui (chairman), Mr. Lau Chi Keung and Mr. Tsang Sai Chung.

The unaudited condensed consolidated interim financial information for the six months ended 30 June 2015 have been reviewed by the audit committee of the Company, and the Group's auditor, SHINEWING (HK) CPA Limited, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code contained in Appendix 10 to the Listing Rules as the Company's code of conduct regarding directors securities transactions. Having made specific enquiry of all Directors, they confirmed that they have complied with the required standards as set out in the Model Code for the six months ended on 30 June 2015.

By Order of the Board

Ji Changqun

Chairman

Hong Kong, 28 August 2015

As at the date of this report, the executive Directors are Mr. Ji Changqun, Mr. Shi Zhiqiang, Mr. Wang Bo and Mr. Fang Jian; the non-executive Directors are Mr. Eddie Hurip and Mr. Chen Minrui; and the independent non-executive Directors are Mr. Lau Chi Keung, Mr. Chow Siu Lui and Mr. Tsang Sai Chung.