Fullshare Holdings Limited

豐盛控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00607)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

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

		Six months ended	
	Notes	**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		**79,492**	–
Gain on bargain purchase recognised in acquisition of subsidiaries		**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)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

For the six months ended 30 June 2015

	Note	Six months ended **30/6/2015** *RMB'000* **(Unaudited)**	30/6/2014 *RMB'000* (Unaudited and restated)
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

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		**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
Current liabilities				
Trade and other payables	*12*	**836,472**	344,614	345,126
Receipts in advance and deposits received		**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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 30 June 2015

	30/6/2015	31/12/2014	1/1/2014
	RMB'000	*RMB'000*	*RMB'000*
	(Unaudited)	(Unaudited and restated)	(Unaudited and restated)
Capital and reserves			
Issued equity	**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
Non-current liabilities			
Convertible bonds	**–**	–	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

Notes:

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, 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

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.

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 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** *RMB'000*	**Acquired subsidiaries** *RMB'000*	**Adjustment** *RMB'000*	**As restated** *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)

As at 31 December 2014	**As originally stated** *RMB'000*	**Acquired subsidiaries** *RMB'000*	**Adjustment** *RMB'000* *(note)*	**As restated** *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

As at 31 December 2014	As originally stated	Acquired subsidiaries	Adjustment	As restated
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
			(note)	
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

As at 1 January 2014	As originally stated	Acquired subsidiaries	Adjustment	As restated
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
			(note)	
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

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 Dazu Technology Co., Limited 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
As restated	(6.88) cents

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.

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 ("EPC"), Energy Management Contract ("EMC") services and other supporting services in relation to the operation of the relevant green building projects in the People's Republic of China (the "PRC")

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

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

	2015				2014			
	Property development	**Green building**	**Investment**	**Total**	Property development	Green building	Investment	Total
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	(Unaudited and restated)	(Unaudited and restated)	(Unaudited and restated)	(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.

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

	2015				2014			
	Property development	**Green building**	**Investment**	**Total**	Property development	Green building	Investment	Total
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**	(Unaudited and restated)	(Unaudited and restated)	(Unaudited and restated)	(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				**7,636,319**				4,423,736
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				**4,741,057**				2,254,889

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.

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 ("EIT")	**123,848**	26,056
PRC Land Appreciation Tax ("LAT")	**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

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)	(Unaudited and restated)
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.

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 sale 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.

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:

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

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.

(b) Trade and other receivables

	30/6/2015	31/12/2014
	RMB'000	*RMB'000*
	(Unaudited)	(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.

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 Asset Management Limited*（南京豐盛資產管理有限公司）("Nanjing Fullshare"), a subsidiary of the Company, by Jiangsu Province Fullshare Property Development Limited*（江蘇省豐盛房地產開發有限公司）("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.

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	31/12/2014
	RMB'000	*RMB'000*
	(Unaudited)	(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.

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. 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

14. 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	31/12/2014
	RMB'000	*RMB'000*
	(Unaudited)	(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

15. CONTINGENT LIABILITIES

	30/6/2015	31/12/2014
	RMB'000	*RMB'000*
	(Unaudited)	(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.

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 principals together with the accrued interests and penalty. Therefore the financial guarantees measured at fair value are immaterial, no provision has been made.

16. 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 RMB$350,000,000 to 16 October 2015. Details are set out in note 10(a).

BUSINESS REVIEW

The revenue of 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.

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）	Zaohua Village, Zaohua County, Yuhong District, Shenyang, Liaoning Province, the PRC	Residential, commercial project	Under construction	Third quarter of 2017	157,531	–	150,761 *(Note)*	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 Nanyi 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 （諸公）	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%
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.

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（天璽華府）, Plot C and D for Natural & Residential（天璽華府）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（天璽華府）: The Plot A and B for Natural & Residential（天璽華府）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（天璽華府）：Plot C and D for Natural & Residential（天璽華府）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.

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）, Shanghai Far-seeker Energy Technology Company Limited*（上海法斯克能源科技有限公司）, Nanjing Fullshare Energy Management Company Limited*（南京豐盛能源管理有限公司）and Anhui Green Building Company Limited*（安徽省綠色建築有限公司）from Nanjing Fullshare Energy Science and 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 EPC, 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.

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 Anjiali Zhiye Company Limited*（江蘇安家利置業有限公司）and its subsidiaries (the "Anjiali 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.

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%.

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 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.

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 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.

Income tax expense

For the six months ended 30 June 2015, the PRC EIT expense, PRC 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 Anjiali 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.

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).

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 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.

PLEDGE OF ASSETS

As at 30 June 2015, details of the Group's pledged assets are set out in note 14 to the condensed consolidated results in this announcement.

INVESTMENT PROPERTIES

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

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）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.

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 RMB587,000,000, 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 Listing Rules.

For the six months ended 30 June 2015, save as disclosed in this announcement, 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 results in this announcement.

CAPITAL COMMITMENTS

Details of the capital commitments of the Group as at 30 June 2015 are set out in note 13 to the condensed consolidated results in this announcement.

CONTINGENT LIABILITIES

Details of the contingent liabilities of the Group as at 30 June 2015 are set out in note 15 to the condensed consolidated results in this announcement.

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 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 16 to the condensed consolidated results in this announcement.

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.

CHANGES IN DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes of the Directors' biographical 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 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 a 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.

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 the 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 announcement 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 HKICPA.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") 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 30 June 2015.

By Order of the Board
Fullshare Holdings Limited
Ji Changqun
Chairman

Hong Kong, 28 August 2015

As at the date of this announcement, 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.

* *English name for identification purpose only*