FULLSHARE 豐盛

Fullshare Holdings Limited
豐盛控股有限公司

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

Interim Report 2016

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Independent Review Report

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INDEPENDENT REVIEW REPORT TO THE BOARD OF DIRECTORS OF FULLSHARE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 4 to 54, which comprises the condensed consolidated statement of financial position of Fullshare Holdings Limited (the "**Company**") and its subsidiaries as at 30 June 2016 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and 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 this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made 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.

Independent Review Report

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"* issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information 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 interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young
Certified Public Accountants

Hong Kong
31 August 2016

Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2016

		For the six months ended 30 June	
		2016	2015
	Notes	**(Unaudited)** **RMB'000**	(Unaudited and restated) RMB'000
Revenue	4	**1,361,830**	1,855,719
Cost of sales		**(936,300)**	(1,700,844)
Gross profit		**425,530**	154,875
Fair value change in financial assets	12	**1,768,319**	–
Other income	4	**25,908**	87,489
Selling and distribution expenses		**(69,279)**	(49,819)
Administrative expenses		**(141,554)**	(68,381)
Finance costs	6	**(12,173)**	(65,587)
Gain on fair value change in transferring properties held for sale to investment properties		**–**	147,464
Gain on disposal of subsidiaries	19	**14,283**	79,492
Gain on bargain purchase recognised in acquisition of subsidiaries		**–**	363,428
Profit before tax	5	**2,011,034**	648,961
Income tax expense	7	**(364,983)**	(117,071)
Profit for the period		**1,646,051**	531,890

Interim Condensed Consolidated Financial Statements

	Notes	For the six months ended 30 June 2016 (Unaudited) RMB'000	2015 (Unaudited and restated) RMB'000
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):			
Exchange differences on translation of foreign operations		**56,738**	–
Other comprehensive income, net of tax		**56,738**	–
Total comprehensive income, net of tax		**1,702,789**	531,890
Profit (loss) for the period attributable to:			
Owners of the parent		**1,662,155**	529,675
Non-controlling interests		**(16,104)**	2,215
		1,646,051	531,890
Total comprehensive income (expenses) attributable to:			
Owners of the parent		**1,718,893**	529,675
Non-controlling interests		**(16,104)**	2,215
		1,702,789	531,890
		RMB	RMB
Earnings per share attributable to ordinary equity holders of the parent:			
Basic and diluted	9	**10.63 cents**	3.90 cents

Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	Notes	**30 June 2016 (Unaudited) RMB'000**	31 December 2015 (Unaudited and restated) RMB'000	1 January 2015 (Unaudited and restated) RMB'000
NON-CURRENT ASSETS				
Property, plant and equipment	10	**78,014**	161,633	157,975
Investment properties		**330,600**	330,600	5,600
Prepaid land lease payments		**–**	1,661	1,699
Goodwill		**20,903**	1,474	1,474
Intangible assets		**–**	1,643	–
Investment in a joint venture		**–**	4,900	–
Investments in associates		**400,926**	–	–
Loan receivable		**400,000**	–	350,000
Trade and other receivables	11	**14,543**	12,726	40,045
Available-for-sale investments		**600,000**	–	–
Financial asset designated at fair value through profit or loss		**–**	10,419	–
Deferred tax assets		**11,262**	21,138	22,727
Total non-current assets		**1,856,248**	546,194	579,520
CURRENT ASSETS				
Deposits paid for potential acquisition		**624,534**	360,000	50,000
Consideration receivable		**678,489**	1,349,936	–
Inventories		**63,621**	78,359	84,493
Financial assets held for trading	12	**3,425,119**	1,598,115	–
Financial asset designated at fair value through profit or loss		**–**	–	30,024
Properties under development		**2,718,411**	2,379,083	2,540,309
Properties held for sale		**921,283**	933,536	504,516
Trade and other receivables	11	**529,062**	482,654	246,355
Prepayments		**72,354**	81,865	320,702
Due from related parties		**15,114**	1,233	14,278
Prepaid tax		**66,871**	16,213	30,638
Amounts due from customers for contract work		**–**	40,549	20,801
Pledged deposits		**30,656**	33,682	16,719
Cash and cash equivalents		**1,008,940**	1,236,985	366,376
Total current assets		**10,154,454**	8,592,210	4,225,211

Interim Condensed Consolidated Financial Statements

	Notes	30 June 2016 (Unaudited) RMB'000	31 December 2015 (Unaudited and restated) RMB'000	1 January 2015 (Unaudited and restated) RMB'000
CURRENT LIABILITIES				
Trade and bills payables	13	**353,033**	475,879	216,700
Other payables and accruals	14	**1,094,423**	664,266	241,968
Receipts in advance and deposits received		**1,770,711**	1,298,430	612,170
Due to related parties		**59,534**	8,301	32,456
Dividend payable		**9,547**	9,547	–
Consideration payables	15	**13,350**	–	156,000
Deferred income – government grant		**645**	439	1,630
Interest-bearing bank and other borrowings	16	**511,855**	814,355	994,847
Tax payable		**199,178**	175,206	157,535
Total current liabilities		**4,012,276**	3,446,423	2,413,306
NET CURRENT ASSETS		**6,142,178**	5,145,787	1,811,905
TOTAL ASSETS LESS CURRENT LIABILITIES		**7,998,426**	5,691,981	2,391,425
NON-CURRENT LIABILITIES				
Corporate bonds		**7,932**	7,743	7,089
Consideration payables	15	**–**	21,058	43,758
Interest-bearing bank and other borrowings	16	**473,750**	162,915	3,045
Deferred tax liabilities		**665,956**	378,401	23,981
Total non-current liabilities		**1,147,638**	570,117	77,873
Net assets		**6,850,788**	5,121,864	2,313,552

Interim Condensed Consolidated Financial Statements

	Notes	**30 June 2016 (Unaudited) RMB'000**	31 December 2015 (Unaudited and restated) RMB'000	1 January 2015 (Unaudited and restated) RMB'000
EQUITY				
Equity attributable to owners of the parent				
Share capital		**125,959**	124,942	107,930
Equity reserve		**422,833**	422,833	422,833
Other reserves		**6,046,865**	4,327,676	1,533,828
		6,595,657	4,875,451	2,064,591
Non-controlling interests		**255,131**	246,413	248,961
Total equity		**6,850,788**	5,121,864	2,313,552

Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATION STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2016

		Attributable to owners of the parent											
	Notes	**Share capital** RMB'000	**Equity reserve** RMB'000 (note i)	**Share premium account*** RMB'000	**Statutory surplus reserve*** RMB'000 (note ii)	**Merger reserve*** RMB'000 (note iii)	**Exchange fluctuation reserve*** RMB'000	**Other reserve*** RMB'000 (note iv)	**Reverse acquisition reserve*** RMB'000	**Retained profits*** RMB'000	**Total** RMB'000	**Non-controlling interests** RMB'000	**Total equity** RMB'000
At 1 January 2016 as originally stated		124,942	422,833	3,315,983	111,750	38,852	26,511	(485,080)	(390,381)	1,592,927	4,758,337	201,300	4,959,637
Effect of adopting merger accounting for common control combination	18	–	–	–	–	101,458	–	7,322	–	8,334	117,114	45,113	162,227
At 1 January 2016 as restated (unaudited)		124,942	422,833	3,315,983	111,750	140,310	26,511	(477,758)	(390,381)	1,601,261	4,875,451	246,413	5,121,864
Profit for the period		–	–	–	–	–	–	–	–	1,662,155	1,662,155	(16,104)	1,646,051
Other comprehensive income for the period		–	–	–	–	–	56,738	–	–	–	56,738	–	56,738
Total comprehensive income for the period		–	–	–	–	–	56,738	–	–	1,662,155	1,718,893	(16,104)	1,702,789
Investments in subsidiaries		–	–	–	–	–	–	(44,932)	–	–	(44,932)	44,387	(545)
Acquisition of subsidiaries	17	–	–	–	–	–	–	–	–	–	–	(18,565)	(18,565)
Disposal of subsidiaries	19	–	–	–	(3,075)	(16,500)	–	–	–	19,575	–	(1,000)	(1,000)
Consideration paid for acquisition of subsidiaries under common control	18	–	–	–	–	(140,000)	–	–	–	–	(140,000)	–	(140,000)
Issue of shares (note v)		1,017	–	341,608	–	–	–	–	–	–	342,625	–	342,625
Dividend declared (note vi)		–	–	(156,380)	–	–	–	–	–	–	(156,380)	–	(156,380)
Transfers		–	–	–	1,324	–	–	–	–	(1,324)	–	–	–
At 30 June 2016 (unaudited)		125,959	422,833	3,501,211	109,999	(16,190)	83,249	(522,690)	(390,381)	3,281,667	6,595,657	255,131	6,850,788

Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

		Attributable to owners of the parent											
	Notes	Share capital RMB'000	Equity reserve RMB'000 (note i)	Share premium account* RMB'000	Statutory surplus reserve* RMB'000 (note ii)	Merger reserve* RMB'000 (note iii)	Exchange fluctuation reserve* RMB'000	Other reserve* RMB'000 (note iv)	Reverse acquisition reserve* RMB'000	Retained profits* RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2015 as originally stated		107,930	422,833	618,725	50,322	733,852	–	8,533	(390,381)	408,315	1,960,129	208,718	2,168,847
Effect of adopting merger accounting for common control combination	18	–	–	–	–	101,458	–	7,322	–	(4,318)	104,462	40,243	144,705
At 1 January 2015 as restated (unaudited)		107,930	422,833	618,725	50,322	835,310	–	15,855	(390,381)	403,997	2,064,591	248,961	2,313,552
Profit for the period, and total comprehensive income for the period		–	–	–	–	–	–	–	–	529,675	529,675	2,215	531,890
Acquisition of subsidiaries		5,456	–	812,843	–	–	–	–	–	–	818,299	86,854	905,153
Disposal of subsidiaries		–	–	–	(24,130)	–	–	(8,533)	–	32,663	–	–	–
Consideration paid for acquisition of subsidiaries under common control		–	–	–	–	(695,000)	–	–	–	–	(695,000)	–	(695,000)
Dividend to non-controlling interest		–	–	–	–	–	–	–	–	–	–	(9,546)	(9,546)
At 30 June 2015 (unaudited)		113,386	422,833	1,431,568	26,192	140,310	–	7,322	(390,381)	966,335	2,717,565	328,484	3,046,049

Notes:

* These reserve accounts comprise the consolidated other reserves of RMB6,046,865,000 (31 December 2015: RMB4,327,676,000) in the interim condensed consolidated statement of financial position.

Interim Condensed Consolidated Financial Statements

(i) Equity reserve

Equity reserve represented (a) the difference between the paid-in capital of Nanjing Fullshare Asset Management Limited*（南京豐盛資產管理有限公司）("**Nanjing Fullshare Asset Management**") and the carrying amount of ordinary share capital of the Company immediately before the completion of the reverse takeover transaction during the year ended 31 December 2013 and (b) the difference between deemed consideration given by Nanjing Fullshare Asset Management and the nominal value of ordinary shares of the Company issued in respect of the reverse takeover transaction.

(ii) Statutory surplus reserve

In accordance with the People's Republic of China ("**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) 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.

(iv) Other reserve

Other reserve represents (a) the gain (losses) arising from transactions with non-controlling interests and (b) the difference between the fair value of consideration paid for the acquisition of the assets through acquisition of subsidiaries from the owners of the Company and the fair value of the assets acquired at the date of acquisition.

(v) Issue of shares

On 23 June 2016, the Company issued 118,765,000 ordinary shares with par value of HK$0.01 each as part of the consideration paid for the acquisition of a 23.14% of the issued share capital of Hin Sang Group (International) Holding Co. Ltd (06893.HK). The fair value of the ordinary shares of the Company, determined using the published price available at the date of the acquisition, amounted to approximately RMB342,625,000.

(vi) Dividend declared

On 20 May 2016, the Company's shareholders approved at an annual general meeting a final dividend of RMB1.0 cent per share of the Company in respect of the year ended 31 December 2015 out of the share premium account.

* *English name for identification purposes only*

Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2016

		For the six months ended 30 June	
		2016	2015
		(Unaudited)	(Unaudited and restated)
	Notes	**RMB'000**	RMB'000
Operating activities			
Profit before tax		**2,011,034**	648,961
Adjustments to reconcile profit before tax to net cash flow		**(1,775,508)**	(588,133)
Total working capital adjustments		**468,179**	300,313
Cash generated from operations		**703,705**	361,141
Income tax paid		**(100,941)**	(90,732)
Interest received		**3,478**	868
Net cash flows from operating activities		**606,242**	271,277
Investing activities			
Purchases of property, plant and equipment		**(31,917)**	(7,072)
Proceeds from disposal of property, plant and equipment		**1**	28,916
Acquisition of available-for-sale investments		**(600,000)**	–
Acquisition of subsidiaries not under common control		**(23,484)**	(507,659)
Acquisition of associates		**(58,302)**	–
Disposal of subsidiaries	19	**885,701**	30,006
Acquisition of subsidiaries under common control		**(140,000)**	(669,800)
Deposits paid for acquisition of subsidiaries		**(264,534)**	–
Receipt of government grants		**3,013**	–
Advanced to a third party		**(400,000)**	–
Lendings to related parties	(i)	**(14,161)**	–
Net cash flows used in investing activities		**(643,683)**	(1,125,609)

Interim Condensed Consolidated Financial Statements

	Notes	For the six months ended 30 June 2016 (Unaudited) RMB'000	2015 (Unaudited and restated) RMB'000
Financing activities			
Borrowings from related parties		**18,375**	7,996
Repayment to related parties		**(43,706)**	–
Release of pledged deposits		**3,026**	12,492
New bank and other borrowings		**636,966**	2,213,340
Repayment of bank and other borrowings		**(628,631)**	(1,541,389)
Repayment of loan interests		**(27,736)**	(5,344)
Dividends paid		**(156,380)**	–
Net cash flows (used in)/from financing activities		**(198,086)**	687,095
Net decrease in cash and cash equivalents		**(235,527)**	(167,237)
Cash and cash equivalents at beginning of period		**1,236,985**	366,376
Effect of foreign exchange rate changes, net		**7,482**	(236)
Cash and cash equivalents at end of period		**1,008,940**	198,903

Note:

(i) Lendings to related parties as at 30 June 2016 were fully received subsequent to the end of the reporting period.

Interim Condensed Consolidated Financial Statements

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

Fullshare Holdings Limited (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 registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The principal activities of Company and its subsidiaries (collectively, the "**Group**") are property development, provision of green building services, investment and healthcare products and services business.

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2016 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 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 interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2015.

Interim Condensed Consolidated Financial Statements

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.2 Significant accounting policies, new standards and amendments adopted by the Group

The principal accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2015, except for the adoption of accounting policies listed below and the adoption of the following new standards and amendments effective as of 1 January 2016.

Investments in associates

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in associates are stated in the interim condensed consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates is included in the interim condensed consolidated statement of profit or loss and other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the interim condensed consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates.

Interim Condensed Consolidated Financial Statements

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.2 Significant accounting policies, new standards and amendments adopted by the Group (continued)

Investments and other financial assets

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in unlisted equity investments. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss.

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the statement of profit or loss in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the statement of profit or loss in other gains or losses. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively and are recognised in the statement of profit or loss as other income.

When the fair value of unlisted equity investments cannot be reliably measured because the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

Interim Condensed Consolidated Financial Statements

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.2 Significant accounting policies, new standards and amendments adopted by the Group (continued)

New standards and amendments adopted by the Group

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	*Investment Entities: Applying the Consolidation Exception*
Amendments to HKFRS 11	*Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations*
HKFRS 14	*Regulatory Deferral Accounts*
Amendments to HKAS 1	*Disclosure Initiative*
Amendments to HKAS 16 and HKAS 41	*Agriculture: Bearer Plants*
Amendments to HKAS 16 and HKAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation*
Amendments to HKAS 27 (2011)	*Equity Method in Separate Financial Statements*
Annual Improvements 2012-2014 Cycle	Amendments to a number of HKFRSs

The adoption of these new standards and amendments applied for the first time in 2016 does not have a material impact on the interim condensed consolidated financial statements of the Group.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Interim Condensed Consolidated Financial Statements

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.3 Adoption of merger accounting and restatement

As disclosed in note 18 to the interim condensed consolidated financial statements, a business combination under common control was effected during the current interim period. The interim 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 common control of the controlling party.

The net assets of the combining entities are consolidated using the existing book values from the controlling party's perspective. No adjustments are made to reflect fair values, or recognise any new assets or liabilities as a result of the business combination under common control and no amount is recognised in respect of goodwill.

The interim condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group include the results and cash flows 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 of the controlling party, where this is a shorter period, regardless of the date of the business combination under common control.

The comparative amounts in the interim 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 18 to this interim condensed consolidated financial statements.

Interim Condensed Consolidated Financial Statements

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

(a) Property development – development and sale of properties;

(b) 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;

(c) Investment – holding and trading of a variety of investments and financial products with potentials or for strategic purposes including but not limited to listed and unlisted securities, bonds, funds, derivatives, structured and other treasury products; and

(d) Health equipment and services – sale of medical devices and provision of healthcare services.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that certain interest income and gains, finance costs as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude deferred tax assets, investment properties, certain property, plant and equipment, prepaid tax, pledged deposits, cash and cash equivalents, deposits paid for potential acquisition, consideration receivable and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, dividend payable, interest-bearing bank and other borrowings, deferred tax liabilities, consideration payables, corporate bonds and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Interim Condensed Consolidated Financial Statements

3. OPERATING SEGMENT INFORMATION (continued)

The following tables present revenue and profit (loss) information for the Group's operating segments for the six months ended 30 June 2016 and 2015, respectively.

For the six months ended 30 June 2016

	Property development (Unaudited) RMB'000	Green building (Unaudited) RMB'000	Investment (Unaudited) RMB'000	Health equipment and services (Unaudited) RMB'000	Others (Unaudited) RMB'000	Total (Unaudited) RMB'000
Sales	982,081	156,382	–	222,867	500	1,361,830
Fair value change in financial assets	–	–	1,768,319	–	–	1,768,319
Segment profit/(loss)	271,851	34,263	1,768,319	(9,885)	(380)	2,064,168
Unallocated corporate expenses						(81,152)
Unallocated other income						25,908
Gain on disposal of subsidiaries						14,283
Finance costs						(12,173)
Profit before tax						2,011,034

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3. OPERATING SEGMENT INFORMATION (continued)

For the six months ended 30 June 2015

	Property development (Unaudited and restated) RMB'000	Green building (Unaudited and restated) RMB'000	Investment (Unaudited and restated) RMB'000	Health equipment and services (Unaudited and restated) RMB'000	Total (Unaudited and restated) RMB'000
Sales	1,577,405	122,562	–	155,752	1,855,719
Segment (loss)/profit	(9,513)	74,972	304	6,108	71,871
Unallocated corporate expenses					(18,131)
Unallocated other income					70,424
Gain on fair value change in transferring properties held for sale to investment properties					147,464
Gain on disposal of subsidiaries					79,492
Gain on bargain purchase recognised in acquisition of subsidiaries					363,428
Finance costs					(65,587)
Profit before tax					648,961

The following table presents asset and liability information for the Group's operating segments as at 30 June 2016 and 31 December 2015, respectively:

	Property development RMB'000	**Green building** RMB'000	**Investment** RMB'000	**Health equipment and services** RMB'000	**Others and unallocated** RMB'000	**Total** RMB'000
Assets						
30 June 2016 (Unaudited)	3,850,650	3,134	4,826,045	561,103	2,769,770	12,010,702
31 December 2015 (Unaudited and restated)	3,511,389	245,616	1,613,434	413,153	3,354,812	9,138,404
Liabilities						
30 June 2016 (Unaudited)	2,663,918	13,167	–	324,481	2,158,348	5,159,914
31 December 2015 (Unaudited and restated)	1,882,427	324,855	–	227,949	1,581,309	4,016,540

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4. REVENUE AND OTHER INCOME

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts; an appropriate proportion of contract revenue of construction contracts and the value of services rendered during the period.

An analysis of revenue and other income is as follows:

	For the six months ended 30 June	
	2016	2015
	(Unaudited)	(Unaudited and restated)
	RMB'000	RMB'000
Revenue		
Sale of goods	**1,200,921**	1,733,157
Rendering of services	**160,909**	122,562
	1,361,830	1,855,719
Other income		
Bank interest income	**3,478**	868
Other interest income	**1,669**	41,852
Rental income	**9,134**	9,696
Government grants	**2,807**	1,281
Gain on disposal of items of property, plant and equipment	**–**	14,048
Other investment income	**–**	15,821
Management fee income	**5,627**	–
Other	**3,193**	3,923
	25,908	87,489

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5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2016	2015
	(Unaudited)	(Unaudited and restated)
	RMB'000	RMB'000
Cost of goods sold	**811,134**	1,649,870
Cost of services provided	**125,166**	50,974
Depreciation	**2,134**	2,563
Amortisation of intangible assets	**114**	139
Reversal of impairment of trade receivables	**(768)**	–
Foreign exchange differences, net	**5,601**	887

6. FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2016	2015
	(Unaudited)	(Unaudited and restated)
	RMB'000	RMB'000
Interest expense on:		
Bank and other borrowings (including corporate bonds)	**27,735**	91,036
Consideration payables	**1,942**	1,715
Total interest expense on financial liabilities not at fair value through profit or loss	**29,677**	92,751
Less: Interest capitalised	**(17,504)**	(27,164)
	12,173	65,587

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7. INCOME TAX EXPENSE

The Group calculates the income tax expense for the period using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim condensed consolidated statement of profit or loss and other comprehensive income are:

	For the six months ended 30 June	
	2016	2015
	(Unaudited)	(Unaudited and restated)
	RMB'000	RMB'000
Current		
PRC corporate income tax	**89,444**	124,709
PRC land appreciation tax	**(18,581)**	82,403
Deferred	**294,120**	(90,041)
Total tax charge for the period	**364,983**	117,071

PRC corporate income tax

Shenzhen Anke High-Tech Company Limited*（深圳安科高技術股份有限公司）("**Shenzhen Anke**") is qualified as a high and new technology enterprise and advanced technology service enterprise, which was subject to income tax at a preferential tax rate of 15% during the period (six months ended 30 June 2015: 15%)

PRC corporate income tax has been provided at the rate of 25% (six months ended 30 June 2015: 25%) on the taxable profits of the Group's other PRC subsidiaries during the period.

* *English name for identification purposes only.*

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7. INCOME TAX EXPENSE (continued)

PRC land appreciation tax ("LAT")

According to the requirements of the Provisional Regulations of the PRC on LAT（中華人民共和國土地增值稅暫行條例）effective from 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT（中華人民共和國土地增值稅暫行條例實施細則）effective from 27 January 1995, all gains arising from a transfer of real estate property in PRC effective from 1 January 1994 are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sale of properties less deductible expenditures including borrowing costs and all property development expenditures.

Hong Kong profits tax

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the period (six months ended 30 June 2015: Nil).

Singapore corporate income tax

No provision for Singapore corporate income tax has been made as the Group did not generate any assessable profits arising in Singapore during the period (six months ended 30 June 2015: Nil).

Australia company tax

No provision for Australia company tax has been made as the Group did not generate any assessable profits arising in Australia during the period (six months ended 30 June 2015: Nil).

8. DIVIDENDS

The board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2016 (30 June 2015: Nil).

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9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 15,643,328,000 (six months ended 30 June 2015: 13,577,530,000) in issue during the period.

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2016	2015
	(Unaudited)	(Unaudited and restated)
	RMB'000	RMB'000
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	**1,662,155**	529,675

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9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

	For the six months ended 30 June	
	2016	2015
	Number of shares	
	(Unaudited)	(Unaudited)
	'000	'000
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**15,643,328**	13,577,530

Note: The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2016 and 2015. Accordingly, the diluted earnings per share is the same as the basic earnings per share for the six months ended 30 June 2016 and 2015.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2016, the Group acquired property, plant and equipment with a cost of RMB26,048,000 (six months ended 30 June 2015: RMB6,676,000), other than those acquired through business combinations.

Assets with a net book value of RMB37,000 were disposed of by the Group during the six months ended 30 June 2016 (30 June 2015: RMB14,868,000), resulting in a net loss on disposal of RMB36,000 (six months ended 30 June 2015, net gain: RMB14,048,000).

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11. TRADE AND OTHER RECEIVABLES

	30 June 2016 (Unaudited) RMB'000	31 December 2015 (Unaudited and restated) RMB'000
Trade receivables	**441,403**	404,031
Impairment	**(23,606)**	(24,374)
Trade receivables, net of provision	**417,797**	379,657
Analysed for reporting purposes as:		
Current	**405,741**	369,330
Non-current	**12,056**	10,327
	417,797	379,657
Other receivables and deposits	**23,647**	23,995
Rental receivables	**6,356**	6,797
Security deposits	**5,466**	16,188
Other tax prepaid	**90,339**	68,743
Other receivables	**125,808**	115,723
Analysed for reporting purposes as:		
Current	**123,321**	113,324
Non-current	**2,487**	2,399
	125,808	115,723

Interim Condensed Consolidated Financial Statements

11. 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 contracts as appropriate.

The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a number of independent customers that have a good track record with the Group and a number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivables balances.

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

	30 June 2016 (Unaudited) RMB'000	31 December 2015 (Unaudited and restated) RMB'000
Within 1 month	**90,279**	162,325
1 to 3 months	**123,006**	59,104
3 to 6 months	**50,995**	40,231
6 to 12 months	**65,796**	43,292
Over 12 months	**87,721**	74,705
	417,797	379,657

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12. FINANCIAL ASSETS HELD FOR TRADING

The balance as at 30 June 2016 and 31 December 2015 represents the fair value of equity shares of an entity listed on the Stock Exchange of Hong Kong Limited, which was acquired in the second half of the year 2015. During the period, the unrealised gain arising from holding these shares amounting to approximately RMB1,768,319,000 (six months ended 30 June 2015: Nil) was recorded and included in fair value change in financial assets.

13. TRADE AND BILLS PAYABLES

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

	30 June 2016	31 December 2015
		(Unaudited
	(Unaudited)	and restated)
	RMB'000	RMB'000
Within 1 year	**348,438**	468,820
Over 1 year	**4,595**	7,059
	353,033	475,879

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

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14. OTHER PAYABLES AND ACCRUALS

	30 June 2016 (Unaudited) RMB'000	31 December 2015 (Unaudited and restated) RMB'000
Accruals	**747,096**	579,148
Other payables	**328,656**	58,454
Other tax payables	**18,671**	26,664
	1,094,423	664,266

15. CONSIDERATION PAYABLES

	30 June 2016 (Unaudited) RMB'000	31 December 2015 (Unaudited and restated) RMB'000
Analysed for reporting purposes as:		
Current liabilities	**13,350**	–
Non-current liabilities	**–**	21,058
	13,350	21,058

Consideration payables as at 30 June 2016 represented outstanding consideration payables arising from the transfer of the entire equity interest in Jiangsu Green Dujian Construction Consultancy Limited*（江蘇綠色都建工程顧問有限公司）from Fullshare Green Building Group Company Limited*（豐盛綠建集團有限公司）("**Fullshare Green Building**"), upon the reorganisation of Fullshare Green Building (together with its subsidiaries as "**Fullshare Green Building Group**") prior to its disposal to a third party during the six months ended 30 June 2016.

Consideration payables as at 31 December 2015 represented outstanding consideration payables in respect of the acquisition of Fullshare Green Building Group.

* *English name for identification purposes only*

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16. INTEREST-BEARING BANK AND OTHER BORROWINGS

	30 June 2016			31 December 2015		
	Effective interest rate (%)	**Maturity**	**RMB'000**	Effective interest rate (%)	Maturity	RMB'000
			(Unaudited)			(Unaudited and restated)
Current						
Bank loans – secured	**1.83-6.96**	**2016-2017**	**75,301**	5.89-7.20	2016	176,280
Bank loans – unsecured	**5.44**	**2016-2017**	**15,600**	6.69	2016	2,200
Other borrowings – secured	**7.53**	**2016**	**200,000**	5.35-7.53	2016	300,000
Other borrowings – unsecured	**–**	**–**	**–**	5.70	2016	20,000
Current portion of long term bank loans – secured	**5.94-6.18**	**2016-2017**	**214,850**	6.18	2016	305,000
Current portion of other long term borrowings – secured	**2.72-13.21**	**2016-2017**	**6,104**	2.72-13.21	2016	10,875
			511,855			814,355
Non-current						
Bank loans – secured	**5.94-6.18**	**2017-2025**	**423,750**	6.18	2017-2025	131,250
Other borrowings – unsecured	**4.75-5.00**	**2017-2018**	**50,000**	5.00	2017	30,000
Other borrowings – secured	**–**	**–**	**–**	2.99-13.21	2017	1,665
			473,750			162,915
			985,605			977,270

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16. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Unaudited and restated)
Analysed into:		
Bank loans repayable:		
Within one year or on demand	**305,751**	483,480
In the second year	**315,000**	15,000
In the third to fifth years, inclusive	**45,000**	45,000
Beyond five years	**63,750**	71,250
	729,501	614,730
Other borrowings repayable:		
Within one year	**206,104**	330,875
In the second year	**50,000**	31,665
	256,104	362,540
	985,605	977,270

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16. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes:

(a) Certain of the Group's bank and other borrowings are secured by:

(i) mortgages over the Group's investment properties situated in the PRC, which had an aggregate carrying value at the end of the reporting period of RMB216,323,000 (31 December 2015: RMB313,000,000);

(ii) mortgages over the Group's properties under development, which had an aggregate carrying value at the end of the reporting period of approximately RMB812,811,000 (31 December 2015: RMB288,596,000);

(iii) mortgages over the Group's properties held for sale, which had an aggregate carrying value at the end of the reporting period of approximately RMB307,454,000 (31 December 2015: RMB649,503,000);

(iv) the pledge of certain of the Group's trade receivables amounting to RMB101,051,000 (31 December 2015: RMB101,051,000);

(v) the pledge of the Group's held-for-trading financial assets amounting to RMB222,538,000 (31 December 2015: Nil).

(b) Except for the 1.83% secured bank loan of approximately RMB55,301,000 (31 December 2015: Nil) which is denominated in Hong Kong dollars, all borrowings are denominated in Renminbi ("RMB").

17. BUSINESS COMBINATIONS NOT UNDER COMMON CONTROL

Acquisition of Five Seasons IX Limited and its wholly-owned subsidiaries, Guangzhou Haizhu District Life-infinity Medical Clinic Limited*（廣州市海珠區生命匯醫療門診有限公司）, Guangzhou Life-infinity Catering Management Limited*（廣州市生命匯飲食管理有限公司）, Guangzhou Life-Infinity Fitness Centre Limited*（廣州市生命匯健身中心有限公司）, Wise Gold Investment Limited*（睿金投資有限公司）and Guangzhou Human Software Development Company Limited*（廣州人力網路軟件開發有限公司）(collectively referred to as "**Five Seasons IX**").

* *English name for identification purposes only*

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17. BUSINESS COMBINATIONS NOT UNDER COMMON CONTROL (continued)

On 18 May 2016, the Group acquired a 51% of the equity interests in Five Seasons IX at a cash consideration of RMB1,581,000. In addition, the Group assumed the shareholder's loan by Five Seasons IX amounting to RMB35,700,000. Five Seasons IX is principally engaged in providing high-end healthcare services. The acquisition was made as part of the Group's strategy to expand the healthcare business. The acquisition has been accounted for using the acquisition method. The interim condensed consolidated financial statements include the results of Five Seasons IX since the acquisition date.

The fair values of the identifiable assets and liabilities of Five Seasons IX as at the date of acquisition were as follows:

	Acquiree's carrying amount and provisional fair value recognised on acquisition (Unaudited) RMB'000
Assets	
Property, plant and equipment	49,271
Cash and cash equivalents	1,097
Due from related parties	339
Trade and other receivables	2,659
	53,366
Liabilities	
Due to related parties	(76,562)
Other payables and accruals	(7,446)
Receipts in advance	(3,833)
Tax payable	(3,412)
	(91,253)
Total identifiable net liabilities at fair value	(37,887)
Add: non-controlling interests	18,565
Goodwill arising on acquisition	20,903
Total consideration	1,581

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17. BUSINESS COMBINATIONS NOT UNDER COMMON CONTROL (continued)

	Acquiree's carrying amount and provisional fair value recognised on acquisition
	RMB'000
Analysis of cash flows on acquisition	
Cash acquired with the subsidiaries	1,097
Cash paid	(1,581)
Net cash outflow on acquisition	(484)

The initial accounting for the above acquisition in the interim condensed consolidated financial statements has been determined provisionally as the Group is awaiting the result of an independent valuation in relation to property, plant and equipment, intangible assets and other net assets acquired in the transaction. The valuation has not been completed by the date the interim condensed consolidated financial statements are approved. Accordingly, the amounts of identifiable assets and goodwill as stated above may be subsequently adjusted.

From the date of acquisition, Five Seasons IX has contributed RMB709,000 to the Group's revenue and net loss of RMB1,440,000 to the Group for the six months ended 30 June 2016. Had the combination taken place at the beginning of the period, the revenue of the Group and the profit of the Group for the six months ended 30 June 2016 would have been RMB1,365,438,000 and RMB1,634,566,000, respectively.

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17. BUSINESS COMBINATIONS NOT UNDER COMMON CONTROL (continued)

Goodwill which arose on the acquisition 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 of Five Seasons IX. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. The goodwill is not deductible for income tax purposes.

Transaction costs of RMB128,000 have been expensed and are included in administrative expenses in the interim condensed consolidated statement of profit or loss and other comprehensive income and are part of operating cash flows in the interim condensed consolidated statement of cash flows.

18. BUSINESS COMBINATIONS UNDER COMMON CONTROL AND RESTATEMENTS

The Group adopts merger accounting for common control combinations in respect of the following transaction which occurred during the six months ended 30 June 2016:

On 17 May 2016, the Group acquired a 72.19% equity interest in Shenzhen Anke and its subsidiaries, Shenzhen Anke Medical Investment Company Limited*（深圳安科醫療投資有限公司）and Shenzhen Anke Software Technology Company Limited*（深圳安科軟件技術有限公司）(collectively referred to as the "**Anke Group**") at an aggregate cash consideration of RMB140,000,000 from Mr. Ji Changqun ("**Mr. Ji**"), the controlling shareholder of the Company, and Nanjing Fullshare Industrial Holding Group Co. Limited*（南京豐盛產業控股集團有限公司）, which is controlled by Mr. Ji.

* *English name for identification purposes only*

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

The effects of the application of merger accounting for business combinations under common control occurred during the six months ended 30 June 2016 on the Group's financial position as at 31 December 2015 and 1 January 2015 and the results for the six months ended 30 June 2015 are summarised as follows:

For the six months ended 30 June 2015

	As originally stated RMB'000	Acquired subsidiaries RMB'000	As restated RMB'000 (Unaudited)
Revenue	1,699,967	155,752	1,855,719
Profit before tax	641,197	7,764	648,961
Income tax expense	(115,389)	(1,682)	(117,071)
Profit and total comprehensive income for the period	525,808	6,082	531,890
Profit attributable to:			
Owners of the parent	525,284	4,391	529,675
Non-controlling interests	524	1,691	2,215
Profit for the period	525,808	6,082	531,890

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

As at 31 December 2015

	As originally stated RMB'000	Acquired subsidiaries RMB'000	Elimination RMB'000	As restated RMB'000 (Unaudited)
Non-current assets	512,534	33,660	–	546,194
Current assets	8,150,954	441,256	–	8,592,210
Total assets	8,663,488	474,916	–	9,138,404
Non-current liabilities	(538,452)	(31,665)	–	(570,117)
Current liabilities	(3,165,399)	(281,024)	–	(3,446,423)
Total liabilities	(3,703,851)	(312,689)	–	(4,016,540)
Net assets	4,959,637	162,227	–	5,121,864
Share capital and equity reserve	547,775	114,300	(114,300)	547,775
Other reserves	4,210,562	47,927	69,187	4,327,676
Non-controlling interests	201,300	–	45,113	246,413
Total equity	4,959,637	162,227	–	5,121,864

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

As at 1 January 2015

	As originally stated RMB'000	Acquired subsidiaries RMB'000	Elimination RMB'000	As restated RMB'000 (Unaudited)
Non-current assets	521,645	57,875	–	579,520
Current assets	3,902,091	323,120	–	4,225,211
Total assets	4,423,736	380,995	–	4,804,731
Non-current liabilities	(74,828)	(3,045)	–	(77,873)
Current liabilities	(2,180,061)	(233,245)	–	(2,413,306)
Total liabilities	(2,254,889)	(236,290)	–	(2,491,179)
Net assets	2,168,847	144,705	–	2,313,552
Share capital and equity reserve	530,763	114,300	(114,300)	530,763
Other reserves	1,429,366	30,405	74,057	1,533,828
Non-controlling interests	208,718	–	40,243	248,961
Total equity	2,168,847	144,705	–	2,313,552

The effects of application of merger accounting for common control combinations on the Group's basic and diluted earnings per share for the six months ended 30 June 2015:

	RMB (Unaudited and restated)
As originally stated	3.87 cents
Adjustment arising on common control combinations	0.03 cents
As restated	3.90 cents

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19. DISPOSAL OF SUBSIDIARIES

On 29 June 2016, the Group disposed of its entire equity interest in Fullshare Green Building Group to Jiasheng Construction Group Co., Ltd.*（嘉盛建設集團有限公司）, an independent third party, at a cash consideration of RMB240,000,000.

The assets and liabilities of Fullshare Green Building Group at the disposal date were as follows:

	RMB'000
Net assets disposed of:	
Investment in a joint venture	**4,900**
Property, plant and equipment	**156,130**
Prepaid land lease payments	**1,641**
Intangible assets	**1,529**
Goodwill	**1,474**
Financial assets designated at fair value through profit or loss	**10,419**
Deferred tax assets	**380**
Cash and cash equivalents	**25,746**
Trade and other receivables	**146,388**
Amounts due from customers for contract work	**124,007**
Prepaid tax	**4**
Trade payables	**(66,270)**
Other payables and accruals	**(179,607)**
Tax payable	**(24)**
Non-controlling interests	**(1,000)**
Net assets disposed of	**225,717**
Gain on disposal of subsidiaries	**14,283**
Cash consideration for disposal	**240,000**

* *English name for identification purposes only*

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19. DISPOSAL OF SUBSIDIARIES (continued)

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

	30 June 2016 (Unaudited) RMB'000
Cash consideration	**240,000**
Unsettled consideration (Note)	**(120,000)**
Cash and cash equivalents disposed of	**(25,746)**
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	**94,254**

Note:

Pursuant to the agreement, the consideration receivable of RMB120,000,000 will be settled within 60 business days after the completion of transaction.

The consideration receivables stated as at 31 December 2015 arising from disposal of 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）amounting to RMB600,004,000, disposal of Active Mind Investments Limited and its subsidiaries and Advance Goal Investments Limited and its subsidiaries amounting to RMB191,443,000 have been received during the six months ended 30 June 2016.

* *English name for identification purposes only*

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20. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

	30 June 2016 (Unaudited) RMB'000	31 December 2015 (Unaudited and restated) RMB'000
Guarantees in respect of mortgage facilities for certain purchasers of the Group's property units	**1,744,060**	1,080,207

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 from the completion of guarantee registration and receipt of such certificate by the bank; and (ii) the satisfaction 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 dates of grant of the mortgages.

The directors of the Company 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, and no provision has been made.

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21. PLEDGE OF ASSETS

Details of the Group's bank and other loans, which are secured by the assets of the Group, are included in note 16 to the interim condensed consolidated financial statements.

22. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties under operating lease arrangements. Leases are negotiated for terms ranging from one to fifteen years (31 December 2015: one to fifteen years).

At 30 June 2016, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	30 June 2016 (Unaudited) RMB'000	31 December 2015 (Unaudited and restated) RMB'000
Within one year	**15,771**	16,276
In the second to fifth years, inclusive	**34,096**	35,226
After five years	**2,150**	10,305
	52,017	61,807

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22. OPERATING LEASE ARRANGEMENTS (continued)

(b) As lessee

The Group leases certain of its offices under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to five years (31 December 2015: one to five 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.

At 30 June 2016, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	30 June 2016 (Unaudited) RMB'000	31 December 2015 (Unaudited and restated) RMB'000
Within one year	**6,302**	4,110
In the second to fifth years, inclusive	**1,121**	2,123
	7,423	6,233

23. COMMITMENTS

In addition to the operating lease commitments detailed in note 22(b) above, the Group had the following capital commitments at the end of the reporting period:

	30 June 2016 (Unaudited) RMB'000	31 December 2015 (Unaudited and restated) RMB'000
Contracted, but not provided for:		
Properties under development	**1,042,337**	2,002,582
Acquisition of a subsidiary	**21,471**	21,471
Investment in a joint venture	**25,319**	–
Available-for-sale investments	**800,000**	–
Capital injection to a non-wholly-owned subsidiary	**15,033**	103,797
	1,904,160	2,127,850

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24. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in the interim condensed consolidated financial statements, the Group had the following material transactions with related parties during the six months ended 30 June 2016 and 2015:

	Notes	**For the six months ended 30 June 2016 (Unaudited) RMB'000**	2015 (Unaudited and restated) RMB'000
Companies owned by the controlling shareholder of the Group:			
Services income	(i)	**38,420**	100
Rental income		**1,255**	1,195
Purchase of materials		**–**	10,566
Services fees		**540**	7,053
Purchase of assets	(ii)	**92,652**	–
Purchase of assets through acquisition of subsidiaries	(iii)	**144,208**	–
Payment of deposits for acquisition	(iv)	**49,535**	–

Notes:

(i) The services to companies owned by the controlling shareholder of the Group were provided according to the published prices and conditions offered to the major customers of the Group.

(ii) In May 2016, the Group purchased various land properties located in Australia at a cash consideration of approximately AUD18,776,000 (equivalent to approximately RMB92,652,000) from a company which is an associate of the controlling shareholder of the Group. The purchase price was determined based on the fair value of the respective properties.

(iii) In May 2016, the Group acquired the entire equity interests in certain entities established in Australia (the "**Target Companies**") at a cash consideration of approximately AUD29,224,000 (equivalent to approximately RMB144,208,000) from a company owned by the controlling shareholder of the Group. At the date of acquisition, the Target Companies had not commenced business and whose principal assets are pieces of lands held for future development in Australia. Accordingly, the acquisition of the Target Companies had been accounted for as acquisition of assets through acquisition of subsidiaries. The purchase price was determined based on the fair value of the respective lands.

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24. RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

Notes: (continued)

(iv) In January 2016, the Group entered into a letter of intent with the controlling shareholder of the Group and the company controlled by the controlling shareholder of the Group, pursuant to which the Group intends to acquire certain trusts in Australia held by the controlling shareholder and the company controlled by the controlling shareholder. During the period, a deposit of approximately RMB20,218,000 was paid and included in the deposits paid for potential acquisition. Formal sales and purchase agreements were signed subsequent to the reporting period. Details of which are set out in note 27(a) to the interim condensed consolidated financial statements.

In May 2016, the Group entered into a letter of intent with Nanjing Jiangong Group Co., Ltd.* (南京建工集團有限公司) ("**Nanjing Jiangong**"), an associate of the controlling shareholder of the Group, pursuant to which the Group intends to acquire the equity interests of certain trusts and a company or assets owned by Nanjing Jiangong in Australia. During the period, a deposit of approximately AUD5,934,000 (equivalent to approximately RMB29,317,000) was paid and included in the deposits paid for potential acquisition.

(b) Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2016	2015
	(Unaudited)	(Unaudited and restated)
	RMB'000	RMB'000
Short term employee benefits	**7,561**	3,488
Post-employment benefits	**82**	82
Total compensation paid to key management personnel	**7,643**	3,570

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

* *English name for identification purposes only*

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25. FINANCIAL INSTRUMENTS BY CATEGORY

Set out below is an overview of financial assets, held by the Group as at 30 June 2016 and 31 December 2015:

	30 June 2016	31 December 2015
	(Unaudited)	(Unaudited and restated)
	RMB'000	RMB'000
Financial assets at amortised cost:		
Cash and cash equivalents	**1,008,940**	1,236,985
Pledged deposits	**30,656**	33,682
Trade and other receivables	**453,266**	426,637
Consideration receivable	**678,489**	1,349,936
Amounts due from customers for contract work	**–**	40,549
Due from related parties	**15,114**	1,233
Loan receivable	**400,000**	–
Available-for-sale investments:		
Unlisted equity investments	**600,000**	–
Financial assets designated at fair value through profit or loss:		
Investment-related insurance policy	**–**	10,419
Held for trading financial assets:		
Equity shares of a listed entity	**3,425,119**	1,598,115
Total	**6,611,584**	4,697,556

Interim Condensed Consolidated Financial Statements

25. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

Set out below is an overview of financial liabilities held by the Group as at 30 June 2016 and 31 December 2015:

	30 June 2016 (Unaudited) RMB'000	31 December 2015 (Unaudited and restated) RMB'000
Financial liabilities at amortised cost:		
Trade and bills payables	**353,033**	475,879
Financial liabilities included in other payables and accruals	**328,656**	58,454
Dividend payable	**9,547**	9,547
Due to related parties	**59,534**	8,301
Consideration payables	**13,350**	21,058
Corporate bonds	**7,932**	7,743
Interest-bearing bank and other borrowings	**985,605**	977,270
Total	**1,757,657**	1,558,252

26. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		**Fair values**	
	30 June 2016 RMB'000 (Unaudited)	31 December 2015 RMB'000 (Unaudited and restated)	**30 June 2016 RMB'000 (Unaudited)**	31 December 2015 RMB'000 (Unaudited and restated)
Financial assets				
Loan receivable	**400,000**	–	**400,000**	–
Financial assets designated at fair value through profit or loss	**–**	10,419	**–**	10,419
Financial assets held for trading	**3,425,119**	1,598,115	**3,425,119**	1,598,115
	3,825,119	1,608,534	**3,825,119**	1,608,534

Interim Condensed Consolidated Financial Statements

26. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The directors of the Company consider the carrying amounts of all financial assets and financial liabilities measured at amortised cost approximate to their fair values as at the end of the reporting period.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair values of financial assets designated at fair value through profit or loss was determined by using the discounted cash flow method with the key inputs of quoted market prices and prevailing observable interest rates discounted at a rate that reflected the credit risk of various counterparties.

The fair values of financial assets held for trading are derived from quoted market prices in active markets.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

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26. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS
(continued)

Assets measured at fair value:

As at 30 June 2016

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	**Significant observable inputs (Level 2) RMB'000 (Unaudited)**	**Significant unobservable inputs (Level 3) RMB'000 (Unaudited)**	**Total RMB'000 (Unaudited)**
Equity investments at fair value through profit or loss	**3,425,119**	**–**	**–**	**3,425,119**

As at 31 December 2015

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000 (Unaudited and restated)	Significant observable inputs (Level 2) RMB'000 (Unaudited and restated)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited and restated)	Total RMB'000 (Unaudited and restated)
Investment-linked insurance policy	–	10,419	–	10,419
Equity investments at fair value through profit or loss	1,598,115	–	–	1,598,115
	1,598,115	10,419	–	1,608,534

Interim Condensed Consolidated Financial Statements

26. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

During the six months ended 30 June 2016, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2015: Nil).

27. EVENTS AFTER THE REPORTING PERIOD

(a) On 4 July 2016, the Group entered into several business and land sale agreements with associates of Mr. Ji, the controlling shareholder of the Group, to purchase the respective rights and assets in operating the business of hotel, villa management and country club and resort stores as well as the certain land properties located in Australia at an aggregate consideration of AUD60,200,000 (equivalent to approximately RMB301,931,000). A deposit of approximately RMB20,218,000 was paid in January 2016. The directors consider that the acquisition of such business and land properties will enrich the healthcare business of the Group and provide more land resources for the Group's further development in Australia. The acquisitions have not yet been completed as at the date of the financial statements.

(b) On 20 July 2016, the Group entered into several formal agreements with subsidiaries of Herong Holdings Group Limited*（和融控股集團有限公司）, an independent third party, in relation to the acquisition of certain properties located in the PRC at an aggregate consideration of approximately RMB333,900,000. A deposit of RMB65,000,000 was paid in May 2016. The directors consider that these acquisitions will expand the property development business of the Group into more cities in the PRC. The acquisitions have not yet been completed as at the date of the financial statements.

* *English name for identification purposes only*

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27. EVENTS AFTER THE REPORTING PERIOD (continued)

(c) On 22 July 2016, the Group entered into an agreement with an independent third party to purchase 70% equity interests in each of Northern King Holdings Limited, Wise Stream Limited and Diligent Apex Limited (collectively, the "**BaoQiao Group**") respectively for an aggregate consideration of HK$140,000,000. The consideration shall be settled by cash amounting to HK$63,000,000 and the remaining by the shares of the Company at the benchmark share price. BaoQiao Group is principally engaged in the business of financial advisory, asset management and money lending. The directors consider that the acquisitions will provide support and advisory in the development of the Group's business and the financial activities of the Group. The acquisitions have not yet been completed as at the date of the financial statements.

(d) On 28 July 2016, the Group entered into an investment agreement pursuant to which the Group agreed to contribute RMB42,500,000 into an entity established in the PRC, which represents 35% of the total registered capital of that entity after the injection. The principal business of this entity is to focus on products and services related to health and well-being. The contribution has been made and the registration has been completed as at the date of the financial statements.

(e) On 5 August 2016, the Group entered into an agreement with two independent third parties to establish a joint venture, which would principally engage in cultural, tourism and development and operation of properties in elderly care business. The registered capital of the joint venture is proposed to be RMB2,000,000,000, of which the Group shall contribute RMB900,000,000, representing a 45% of the total registered capital of the joint venture. The joint venture has been established but the capital contribution has not been made as at the date of the financial statements.

(f) On 12 August 2016, the Group entered into an agreement with an independent third party to purchase a 35% shares of Nanjing Jiansheng Real Estate Development Company Limited*（南京建盛房地產開發有限公司）("**Nanjing Jiansheng**") at a consideration of RMB17,500,000. Nanjing Jiansheng is principally engaged in property development and operation, construction and design, property renovation, venue leasing and property management. The acquisition has not yet been completed as at the date of the financial statements.

* *English name for identification purposes only*

Interim Condensed Consolidated Financial Statements

27. EVENTS AFTER THE REPORTING PERIOD (continued)

(g) On 29 August 2016, the Group entered into an agreement with an independent third party to purchase the entire interest in High Access International Investment Limited and its subsidiaries (collectively "**High Access Group**") at a consideration of RMB357,000,000. The consideration shall be settled by allocating and issuing 121,087,500 shares of the Company. A deposit of RMB150,000,000 was paid in April 2016. High Access Group is principally engaged in an operation of a commercial property with auxiliary facilities located in Nanjing, the PRC. The directors consider that this acquisition will be beneficial for the development and expansion of the healthcare business of the Group. The acquisition has not yet been completed as at the date of the financial statements.

There is a non-binding post completion obligation in the equity transfer agreement pursuant to which the vendor agrees to provide an interest-free loan in the principal amount of RMB650,000,000 ("**Loan**") to High Access Group by 27 September 2016 to repay an existing liability of High Access Group ("**Existing Liability**"). The Loan will be settled by allocating and issuing 220,467,500 shares of the Company. If the vendor fails to provide such Loan, the Group will settle the Existing Liability in cash by internal resources before 30 September 2016. The deposit of RMB150,000,000 will be refunded within two days upon the repayment of Existing Liability.

28. APPROVAL OF THE UNAUDITED INTERIM FINANCIAL INFORMATION

The unaudited interim financial information was approved and authorised for issue by the board of directors on 31 August 2016.

Additional Information Required by the Listing Rules

BUSINESS REVIEW

The principal revenue of Fullshare Holdings Limited (the "**Company**") and its subsidiaries (the "**Group**") for the six months ended 30 June 2016 (the "**Period Under Review**") was derived from the sales of properties and investment services.

Property sales

During the Period Under Review, the Group made contracted sales of approximately RMB1,279,732,000, representing an increase of approximately 117% as compared with the same period of last year. The Company made contracted sales for an aggregate gross floor area ("**GFA**") of approximately 64,930 sq.m., representing an increase of approximately 25% as compared with the same period of last year. The increase in contracted sales and GFA was mainly due to the sales of ZhuGong（諸公）project, C South and C North of Yuhua Salon（雨花客廳）project, and Amber Garden（琥珀花園）Phase II. The average selling price based on contract sales was approximately RMB19,710 per sq.m., representing an increase of approximately 74% as compared with the same period of last year.

As of 30 June 2016, the Group's contracted sales for the contracts signed but properties not yet delivered were approximately RMB1,413,865,000, with a total GFA of approximately 68,989 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 breakdown of the major property developments held by the Group during the Period Under Review is as follows:

Project name	Address	Project type	Construction progress of the project	Expected completion date	Site area (sq.m.)	GFA completed (sq.m.)	GFA under construction (sq.m.)	Accumulated contracted sales area* (sq.m.)	Interests in the project attributable to the Group
Yuhua Salon (雨花客廳)									
Yuhua Salon (雨花客廳) A2	No. 119 Ruanjian Avenue, Yuhuatai District, Nanjing, Jiangsu Province, the PRC	Hotel, office project	Under construction	Second quarter of 2018	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 2017	42,639	71,022	62,809	40,764	100%
Yuhua Salon (雨花客廳) C North	East to Ningdan Road, Yuhuatai District, Nanjing, Jiangsu Province, the PRC	Apartment, commercial project	Under construction	Fourth quarter of 2017	48,825	–	191,007	15,587	100%
ZhuGong (諸公)	To the south-west of Yuhuatai Scenic Area, Nanjing, Jiangsu Province, the PRC	Residential project	Under construction	Third quarter of 2016	49,220	86,087	10,210	37,384	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	–	86,989	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	Third quarter of 2016	35,753	–	99,420	69,073	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	–	47,768	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	Third quarter of 2016	51,172	206,697	2,218	139,871	90%
Total					313,793	531,291	448,334	437,436	

* The sales area is summarized based on GFA excluding publicly shared area

Additional Information Required by the Listing Rules

Overseas property

During the Period Under Review, the overseas property held by the Group comprised the Bloomsburry project in Queensland, Australia. The project is adjacent to a large-scale comprehensive development project in Great Barrier Reef with a land lot site area of approximately 29,154,000 sq.m. The land is in the stage of being held for future development and sale.

Investment properties

During the Period Under Review, the investment properties of the Group mainly included part of the properties of Yuhua Salon（雨花客廳）A1 and TongJingYueCheng Kindergarten（同景躍城幼稚園）.

	Address	Usage	Term of contract	GFA (sq.m.)	Interests of project attributable to the Group
Nanjing					
Yuhua Salon（雨花客廳）A1 (partial unit)	No. 119 Ruanjian Avenue, Yuhuatai District, Nanjing, Jiangsu Province, the PRC	Office	Medium-term covenant	17,973	100%
Yuhua Salon（雨花客廳）A1 (partial unit)	No. 119 Ruanjian Avenue, Yuhuatai District, Nanjing, Jiangsu Province, the PRC	Car park	Medium-term covenant	3,307	100%
Chongqing					
TongJingYueCheng Kindergarten（同景躍城幼稚園）	East of Yudong Street and Dajiang Road in Banan District, Chongqing, the PRC	Commercial	Medium-term covenant	1,223	90%

Additional Information Required by the Listing Rules

Investment

During the Period Under Review, the Group proactively developed its investment business. The Group contributed in aggregate approximately RMB600,000,000 to subscribe for approximately 11% of a newly established entity, JiangSu Non-state-owned Investment Holding Co., Ltd.*（江蘇民營投資控股有限公司）("**JiangSu NSO**") and to invest as a limited partner approximately 44.4% of a newly setup private fund. Both JiangSu NSO and the private fund are principally engaged in equity and debt investment. These investments are recorded as available-for-sale investments and stated at cost.

Also, the Group invested in a trust fund through which a domestic entrusted loan of approximately RMB400,000,000 was made via a financial institution in the People's Republic of China (the "**PRC**") which aims to earn a higher interest return. This investment is presented as loan receivable in accounting aspect.

Furthermore, during the Period Under Review, the Group subscribed for 250,000,000 new shares of Hin Sang Group (International) Holding Co. Ltd. ("**Hin Sang Group**"), a company listed in Hong Kong, representing 23.8% of its issued share capital, as enlarged by the issue of such 250,000,000 new shares of Hin Sang Group at a consideration of approximately RMB397,926,000 which was satisfied by way of issuance of Company's new shares and cash. This investment is recorded as investment in an associate and accounted for by equity method.

The purposes of these investments are to further implement the direction of expanding the resources of the Group's investment income and stabilize its long-term investment strategies.

During the Period Under Review, this segment recorded a profit before tax of approximately RMB1,768,319,000 (2015: RMB304,000). The unrealized gain before tax from change in fair value of the listed securities held was approximately RMB1,768,319,000 (2015: nil). As at 30 June 2016, the financial assets held for trading was approximately RMB3,425,119,000 (31 December 2015: RMB1,598,115,000), and no balance of investment-linked insurance policy is held by the Group (31 December 2015: RMB10,419,000).

Healthcare

During the Period Under Review, the Group completed the acquisition of approximately 72.19% equity interest in Shenzhen Anke High-Tech Company Limited*（深圳安科高技術股份有限公司）("**Shenzhen Anke**") and 51% equity interest in Guangzhou Haizhu District Life-infinity Medical Clinic Limited* ("**Life-infinity**")（廣州市海珠區生命匯醫療門診有限公司）and commenced its grand health industry business to facilitate the development of the Group's healthcare business. The principal business of Shenzhen Anke is the manufacturing and sale of medical equipment and machineries and provision of technical services. The principal business of Life-infinity is providing high-end healthcare services.

* *English name for identification purposes only*

Additional Information Required by the Listing Rules

This year, the healthcare segment will focus on the "one center and two basic points" concept, which takes achieving the value chain of a healthy lifestyle as the center, takes healthcare operations and healthcare investments as the two basic points, and strives as much as possible to establish a professional and trustworthy healthcare life O2O (online to offline) platform and industrial alliance with several offline healthcare channels. For investments, the Group will endeavour the development of supply chain and value chain of the upstream and downstream resources of the healthcare platform, while at the same time pay attention to the commanding heights of life medicine to integrate the quality resources of world's leading medical technology with the longevity culture of Chinese medicine.

During the Period Under Review, the revenue, gross profit and gross profit margin of healthcare service were approximately RMB222,867,000, RMB58,732,000 and 26%, respectively.

Green Building Service

During the Period Under Review, the Group engaged in the technical design and consulting services and green management services in the PRC. Considering the Group's strategic development and the disparity between the business volume and revenue of certain green building services and the resources of the Group's subordinate companies in the short term, the Group disposed of certain green building services and energy station management services businesses in June 2016.

During the Period Under Review, the revenue, gross profit and gross profit margin of green building service were approximately RMB156,382,000, RMB43,881,000 and 28%, respectively.

PROSPECT

In the second half of 2016, the Group will strive to develop itself into the world's leading service provider of grand healthy living based on its existing businesses. The Group will start from healthcare, healthy living, healthy platform and investment sectors and integrate the resources of the global healthcare management and services, medical treatment, elderly care, tourism, finance, operation, market and property to construct an open platform in the grand health industry and establish a fruitful win-win value chain of healthy living for customers and partners.

Additional Information Required by the Listing Rules

In the second half of the year, the Group will continue to target on its revenue and profit growth, improve financial security by adopting prudent financial management policies to promote domestic and overseas equity financing and debt financing and optimize the financial structure on the basis of maintaining the stable development of the Group's businesses.

For the investment segment, the Group will continuously search for possible investment opportunities in acquiring equity interests in other listed companies, including but not limited to those listed on the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), with internally generated funds, equity and debt financings.

Principal risks and uncertainties

The Group undertakes occasional risks evaluation and management measures for its future sustainable development. The Group expresses a great concern on factors that will affect the business conditions and will take actions when needed. The key risks are summarized and managed as follows:

Macro-economic environment

In 2016, the PRC's economic growth slowed down, and according to the Statistical Communique of the PRC on the 2015 National Economic and Social Development（中華人民共和國2015年國民經濟和社會發展統計公報）issued by the National Bureau of Statistics of China（中華人民共和國國家統計局）, the PRC's gross domestic product decreased to 6.9% from 7.4%. Currently, the Group is engaged in the real estate industry in the PRC and holds financial assets for investment purpose. Changes in economic environment may result in adverse risks of the Group's operating environment. Furthermore, the overall investment sentiment will also bring volatility to the prices of financial assets held by the Group.

Management's response: The Group will continue to pay attention to the market condition and is expected to increase its overseas investments as and when appropriate in accordance with its specific risk management policies and prudent investment strategies. The Group will also evaluate the risks associated with and the return of the existing financial products and operating businesses from time to time and adjust the investment portfolio according to the actual market condition in order to further enhance the profitability of the Group.

Additional Information Required by the Listing Rules

Financial environment

In recent years, many commercial banks in the PRC have tightened their real estate credit policies, especially for residential units in the third- and fourth-tier cities and commercial real estate in the first- and second-tier cities. Some banks continue to implement overall control in the amount and name-list management in the real estate industry. The tightening of housing loan policies may increase the costs of housing-purchase and mortgage financing of customers and eventually affect enterprise capital needs in the PRC real estate industry.

Management's response: In early 2016, there was a significant increase in credit supply according to the data published by People's Bank of China. The PRC government has announced a healthy monetary policy, the growth targets for board money (M2) and balance of scale of social financing are expected to be 13%. The Group will closely monitor the domestic financial market and manage the debt assets ratio of the Group to ensure effective control over the financial risk of the Group.

Policy influence

As our businesses are mainly concentrated in the PRC, our results of performance is affected by the PRC government policies. In recent years, the PRC government implemented home-purchase restrictions, adjusted housing mortgage rate, loan cap and other regulatory measures on the real estate market, which aimed at cracking down speculative real estate investments to further stabilize housing price.

Management's response: Since 2016, on the one hand, the PRC government promulgated policies such as cutting down deposit and lending rates and lowering deposit reserve ratio; on the other hand, the PRC government launched the policy on reducing the down payment proportion to stimulate the real estate market, the performance of real estate market in major cities was satisfactory. The Group will continue to monitor the government policy direction in the real estate market, follow the target-oriented marketing policy and further optimize product quality to strengthen the Group's product position and demand for its products and services in the market. The Group will also instill leisure, vacation and healthy lifestyle concept into real estate development through integrating the healthcare and real estate businesses, as well as optimizing product structure to increase the comfort on products and promote the sales. At the same time, the Group is expected to proactively expand its overseas development to further reduce the possible impact on the performance of the Group resulting from changes in PRC domestic policies.

Additional Information Required by the Listing Rules

Tax law influence

In recent years, the PRC government has determined to replace business tax with value-added tax to deepen the reform of the financial and tax system and has intended to increase the setting-off magnitude of parts of the input tax items, which may bring a substantial tax relief. Such policy may have a positive effect on the tax requirements of the Group's various businesses.

Management's response: The PRC's 2015 Government Work Report revealed that the pilot scope of replacement of business tax with value-added tax will expand to the building industry, real estate sector, financial sector, social service sector and will incorporate the value-added tax included in the additional real estate of all corporations into the setting-off scope, thus ensuring a reduction but not an increase in tax liability of all industries, and the reduction of tax and charges is expected to benefit the Group to increase its profits. The Group will actively keep up with the changes in the replacement of business tax with value-added tax to further respond to the impact of such policy on the Group and optimize the tax efficiency of the Group.

Market competition

The real estate market in the PRC is highly competitive. The areas that are in competition include quality, design, brand, cost control and environment ancillary facilities. If the competitors of the Group keep on improving their products, it may bring negative impact to the overall profit performance of the Group.

Management's response: By leveraging on our extensive experience on real estate development, healthcare sector and green building service, the Group strives to continue improving its product quality and cost control. The Group expects that at the current industry consolidation stage, through improving product and service quality, the Group can better enhance the market demand for its products and services.

Additional Information Required by the Listing Rules

Investment concentration risk

The investment segment of the Group mainly involved holding shares in another listed company in Hong Kong, and the shares were valued at approximately RMB3.4 billion, representing nearly 50% of the Group's net assets. As such, the price change of such shares may generate a significant impact on the investment segment and the Group's overall profit performance.

Management's response: The Group will closely monitor the operating condition and the change in the share price of the above-mentioned listed company and will adjust promptly the proportion of the investment portfolio. At the same time, the Group will also actively consider potential investment targets and products which are beneficial to the Group to reduce the possible risk arising from investment.

Changes in exchange rates

The current operating currency of the Group is Renminbi ("**RMB**"), but the financial assets held are mainly denominated in Hong Kong dollars. The Group will consider investing financial assets in currencies other than RMB in the future, hence, the respective assets value may be affected due to changes in exchange rates. If there is a significant depreciation in exchange rate in currencies other than RMB, the value of financial assets held by the Group will decrease, which will reduce the profitability of the investment segment.

Management's response: The Group will keep track of the PRC's government monetary policies and global economic changes, evaluate the impact of exchange rate to the Group and closely monitor the financial instruments on the market that could hedge exchange rate exposure and lower the impact of exchange rate fluctuation on the Group.

Additional Information Required by the Listing Rules

FINANCIAL REVIEW

Revenue

The revenue of the Group decreased by approximately RMB493,889,000, or 27%, from approximately RMB1,855,719,000 for the six months ended 30 June 2015 to approximately RMB1,361,830,000 for the Period Under Review. The revenue for the Period Under Review was derived from the property development segment, green building segment, healthcare segment and others of approximately RMB982,081,000, RMB156,382,000, RMB222,867,000 and RMB500,000, respectively, and the revenue in the same period of last year was mainly derived from the property development segment, green building segment and healthcare segment of approximately RMB1,577,405,000, RMB122,562,000 and RMB155,752,000, respectively.

The revenue of property development segment decreased by approximately RMB595,324,000, or 38%, as compared to the same period of last year, which was mainly due to the concentrated delivery of the larger scale of Amber Garden Phase I（琥珀花園一期）in the first half of 2015, whereas only part of the units of ZhuGong（諸公）project and Yuhua Salon（雨花客廳）project were delivered at different phases in the first half of 2016. The total delivered GFA of the Group's properties decreased from approximately 120,529 sq.m. for the six months ended 30 June 2015 to approximately 65,559 sq.m. for the Period Under Review, with the average selling price increasing from approximately RMB13,087 per sq.m. to approximately RMB14,980 per sq.m.

The revenue of green building segment increased by approximately RMB33,820,000, or 28%, as compared to the same period of last year, which was mainly due to the Group's continuous development of various green building services on the basis of the same period of last year, and the growth in income from consulting design for customers in Hainan, the PRC, and income from engineering construction in Jurong, the PRC.

Additional Information Required by the Listing Rules

The revenue of healthcare segment increased by approximately RMB67,115,000, or 43%, as compared to the same period of last year, which was mainly derived from the increase in sales of medical equipments, of which the Computer Tomography (CT) and Superconducting Magnetic Resonance Imaging (MRI) systems recorded a significant increase as compared to the same period of last year.

Cost of sales

The cost of sales of the Group decreased by approximately RMB764,544,000, or 45%, from approximately RMB1,700,844,000 for the six months ended 30 June 2015 to approximately RMB936,300,000 for the Period Under Review. The cost of sales for the period derived from the property development segment, green building segment, healthcare segment and others were approximately RMB658,784,000, RMB112,501,000, RMB164,135,000 and RMB880,000, respectively, whereas the cost for the same period of last year derived from the property development segment, green building segment and healthcare segment were approximately RMB1,541,061,000, RMB50,974,000 and RMB108,809,000, respectively.

The cost of sales of the property development segment decreased by approximately RMB882,277,000, or 57%, as compared to the same period of last year, which was mainly due to the decrease of 54,970 sq.m., or 46%, in the area of properties delivered in the first half of this year as compared to the same period of last year.

The cost of sales of the green building segment increased by approximately RMB61,527,000, or 121%, as compared to the same period of last year. Higher extent of increase in the cost of sales than the increase in revenue in the first half of this year was a result of the increase in number of building construction projects with lower gross profit margin.

The cost of sales of the healthcare segment increased by approximately RMB55,326,000, or 51%, as compared to the same period of last year. The cost increased with the growth of sales, but the sales structure of the medical equipment products changed in the first half of this year, such as CT products with higher growth of sales and lower gross profit, resulting in the decrease of overall gross profit margin by 4% in the first half of this year.

Additional Information Required by the Listing Rules

Gross profit and gross profit margin

The gross profit of the Group increased by approximately RMB270,655,000, or 175%, from approximately RMB154,875,000 for the six months ended 30 June 2015 to approximately RMB425,530,000 for the Period Under Review. The gross profit and gross profit margin for the period derived from the property development segment, green building segment and healthcare segment were approximately RMB323,297,000 and 33%, RMB43,881,000 and 28% and RMB58,732,000 and 26%, respectively. The gross profit and gross profit margin from the property development segment, green building segment and healthcare segment in the same period of last year were approximately RMB36,344,000 and 2%, RMB71,588,000 and 58% and RMB46,943,000 and 30%, respectively.

The overall gross profit margin increased from 8% to 31%, which was mainly due to the gross profit derived from the delivery of Amber Garden Phase I (琥珀花園一期) in the same period of last year, reflecting a gain on acquisition upon the acquisition of the subsidiary that owns such project. The accounting effect of such cost premium had an immaterial impact on the first half of this year.

Other income

Other income decreased by approximately RMB61,581,000, or 70%, from approximately RMB87,489,000 for the six months ended 30 June 2015 to approximately RMB25,908,000 for the Period Under Review. Other income for the period mainly included rental income of approximately RMB9,134,000, management fee income of approximately RMB5,627,000 and interest income of approximately RMB3,478,000. Other income in the first half of 2015 mainly included rental income of approximately RMB9,696,000, amortization of the one-off deferred gain of borrowings of approximately RMB39,131,000 due to early repayment, gain on disposal of owner-occupied property of approximately RMB14,048,000 and the investment return from a project in Jurong of approximately RMB15,479,000.

Fair value change in financial assets

The Group maintains its investment business segment through holding and trading of various investment and financial products with potential or strategic use purposes. The Group recorded a gain on change in fair value of financial assets of approximately RMB1,768,319,000 during the Period Under Review. Such gain was mainly derived from an increase of fair value on securities of a listed entity held for trading purposes. As this kind of investment commenced in the second half of 2015, there was no similar investment in the same period of last year.

Additional Information Required by the Listing Rules

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

For the six months ended 30 June 2015, the carrying amount of approximately RMB169,536,000 for certain properties held for sale were transferred to investment properties, resulting in a gain on change in fair value of approximately RMB147,464,000. There was no similar income in the Period Under Review.

Gain on disposal of subsidiaries

In June 2016, the Group completed the disposal of the 100% equity of Fullshare Green Building Group Company Limited*（豐盛綠建集團有限公司）("**Fullshare Green Building**") at a consideration of RMB240,000,000, and the Group recorded a gain before tax of approximately RMB14,283,000.

In June 2015, the Group completed the disposal of the 100% equity of Jiangsu Province Fullshare Property Development Limited*（江蘇省豐盛房地產開發有限公司）at a consideration of RMB467,000,000, and the Group recorded a gain before tax of approximately RMB79,492,000.

Gain on bargain purchase recognised in acquisition of subsidiaries

For the six months ended 30 June 2015, the Group completed the acquisition of 100% equity of Jiangsu Anjiali Zhiye Company Limited*（江蘇安家利置業有限公司）and its subsidiaries ("**Anjiali Group**") at a consideration of RMB438,000,000. As the fair value of the net assets acquired is higher than the consideration, the Group recorded a gain on bargain purchase recognized in acquisition of subsidiaries of approximately RMB363,428,000. There was no similar acquisition gain in the Period Under Review.

Selling and distribution expenses

Selling and distribution expenses of the Group increased by approximately RMB19,460,000, or 39%, from approximately RMB49,819,000 for the six months ended 30 June 2015 to approximately RMB69,279,000 for the Period Under Review, which was mainly due to the increase of related marketing agency fees resulted from the increase of pre-sold volume of the property development segment in the first half of the year.

* *English name for identification purposes only*

Additional Information Required by the Listing Rules

Administrative expenses

Administrative expenses of the Group increased by approximately RMB73,173,000, or 107%, from approximately RMB68,381,000 for the six months ended 30 June 2015 to approximately RMB141,554,000 for the Period Under Review, which was mainly due to the inclusion of the administrative expenses in the first half of 2016 of several newly acquired or established subsidiaries from the fourth quarter of 2015 to the first half of 2016. The administrative expenses of this period mainly included salaries, professional fees and research and development expenses.

Finance costs

Finance costs of the Group decreased by approximately RMB53,414,000, or 81%, from approximately RMB65,587,000 for the six months ended 30 June 2015 to approximately RMB12,173,000 for the Period Under Review. Finance costs in the same period of last year mainly comprised of two parts, namely, the one-off non-cash accounting finance cost of approximately RMB36,345,000 due to early repayment of the non-interest bearing borrowings and the provision of interest expenses of non-capitalized borrowings of approximately RMB23,975,000 which were mainly used for expanding the Group's business. There was no similar non-cash accounting finance cost for the Period Under Review.

Profit before tax

For the Period Under Review, the Group recorded a profit before tax of approximately RMB2,011,034,000. Excluding the gain on disposal of subsidiaries of approximately RMB14,283,000, profit before tax for the period would be approximately RMB1,996,751,000.

Income tax expense

For the Period Under Review, the Corporate Income Tax ("**CIT**") expense, Land Appreciation Tax ("**LAT**") credit and deferred tax expense of the Group amounted to approximately RMB89,444,000, RMB18,581,000 and RMB294,120,000, respectively, and for the six months ended 30 June 2015, the CIT expense, the LAT expense and the deferred tax credit amounted to approximately RMB124,709,000, RMB82,403,000 and RMB90,041,000, respectively.

Additional Information Required by the Listing Rules

The current CIT expense in the first half of 2016 decreased by approximately RMB35,265,000, which was mainly due to the lower revenue from property development segment in the period than in the same period of last year.

The LAT expense in the first half of 2016 decreased by approximately RMB100,984,000 as compared to the same period of last year, which was mainly due to the decrease of estimated LAT rate in some real estate projects during the period resulted from the cost upward adjustments.

The deferred tax expenses for the period was mainly derived from the provision for the gain on change in fair value of financial assets of approximately RMB291,722,000. The net deferred tax income for the same period of last year was derived from the reversal of deferred tax liabilities of approximately RMB157,854,000 recognised at the date of acquisition of Anjiali Group upon the delivery of Amber Garden Phase I（琥珀花園一期）. Such credit was set off against the current CIT and LAT expenses provided for this project. At the same time, the deferred tax expenses 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 that period.

Profit for the Period Under Review

For the Period Under Review, the Group recorded a profit of approximately RMB1,646,051,000. Excluding the net profit on disposal of subsidiaries of approximately RMB10,283,000, the Group recorded a net profit of approximately RMB1,635,768,000 for the Period Under Review. For the six months ended 30 June 2015, the Group recorded a net profit of approximately RMB531,890,000. Excluding the gain on bargain purchase recognized in the acquisition of subsidiaries 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 deferred tax provision of approximately RMB82,556,000, the Group recorded a net profit for the period of approximately RMB48,037,000. Profit for the first half of 2016 increased by approximately RMB1,587,731,000 as compared to the same period of last year.

Additional Information Required by the Listing Rules

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

During the Period Under Review, the Group financed its operations and investments mainly by internally generated funds, equity and debt financings.

Cash position

As at 30 June 2016, the Group had cash and bank balances of approximately RMB1,008,940,000 (31 December 2015: approximately RMB1,236,985,000, excluding pledged bank deposits), which decreased by approximately RMB228,045,000, or 18%, compared to 31 December 2015.

Bank and other borrowings

As at 30 June 2016, bank and other borrowings of the Group amounted to approximately RMB985,605,000, including bank loans of approximately RMB729,501,000 and other borrowings of approximately RMB256,104,000. Among total bank and other borrowings, approximately RMB511,855,000 are repayable within one year, RMB365,000,000 are repayable over one year but not exceeding two years, RMB45,000,000 are repayable over two years but not exceeding five years and RMB63,750,000 are repayable over five years.

The borrowings balance at the end of current period increased by approximately RMB8,335,000, or 1%, with a slight change as compared to the end of last year.

Leverage

As at 30 June 2016, total cash and bank balances of the Group amounted to approximately RMB1,008,940,000 (31 December 2015: approximately RMB1,236,985,000, excluding pledged bank deposits). Balances of bank and other borrowings, consideration payables and corporate bonds amounted to approximately RMB1,006,887,000 as at 30 June 2016 (31 December 2015: approximately RMB1,006,071,000). The gearing ratio of the Group as at 30 June 2016, calculated as a ratio of sum of bank and other borrowings, consideration payables and corporate bonds to total assets, was approximately 8% (31 December 2015: approximately 11%). The net equity of the Group was approximately RMB6,850,788,000 (31 December 2015: approximately RMB5,121,864,000).

Additional Information Required by the Listing Rules

As at 30 June 2016, the Group recorded total current assets of approximately RMB10,154,454,000 (31 December 2015: approximately RMB8,592,210,000) and total current liabilities of approximately RMB4,012,276,000 (31 December 2015: approximately RMB3,446,423,000). The current ratio of the Group, calculated by dividing total current assets by total current liabilities, was about 2.5 as at 30 June 2016 (31 December 2015: approximately 2.5).

FOREIGN EXCHANGE EXPOSURE

The assets, liabilities and transactions of the Group are mainly denominated in RMB, Hong Kong dollars and Australian dollars. The Group currently does not have a foreign currency hedging policy. In order to manage and reduce foreign exchange exposure, the management will evaluate the Group's foreign exchange exposure from time to time and take actions as appropriate.

TREASURY POLICIES

As at 30 June 2016 except for the bank and other borrowings of the Group of approximately RMB760,654,000 denominated in RMB at a fixed interest rate, corporate bonds of approximately RMB7,932,000 denominated in Hong Kong dollars at a fixed interest rate and the bank borrowings of approximately RMB55,301,000 denominated in Hong Kong dollars at variable interest rates (31 December 2015: bank and other borrowings of approximately RMB554,740,000 denominated in RMB at a fixed interest rate and corporate bonds of approximately RMB7,743,000 denominated in Hong Kong dollars at a fixed interest rate), the Group's remaining bank and other borrowings were mainly denominated in RMB at variable interest rates. Bank balances and cash held by the Group were mainly denominated in RMB and Hong Kong dollars. The Group currently does not have foreign currency and interest rate hedging policies. However, the management of the Group monitors the foreign exchange and interest rate exposure from time to time and will consider hedging significant foreign exchange and interest rate exposure if needed.

As at 30 June 2016, trade receivables and trade and bills payables of the Group were approximately RMB417,797,000 and RMB353,033,000 (31 December 2015: approximately RMB379,657,000 and RMB475,879,000), respectively. The Group has a policy in financial risk management to ensure settlement of all receivables and payables during the credit period.

Additional Information Required by the Listing Rules

PLEDGE OF ASSETS

Details of the Group's pledged assets as at 30 June 2016 are set out in note 21 of the interim condensed consolidated financial statements in this report.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES OR ASSOCIATED COMPANIES

To expand the operation scale and improve the quality of assets of the Group, the Group conducted the following corporate acquisitions and disposal for the Period Under Review:

On 4 May 2016, the Group completed the acquisition of certain Australian companies and land properties located in Queensland at a total consideration of approximately AUD29,224,000 and AUD18,776,000, respectively, details of which were set out in the announcements of the Company dated 5 January 2016 and 21 April 2016, respectively.

On 17 May 2016, the Group completed the acquisition of 72.19% equity in Shenzhen Anke at a total consideration of RMB140,000,000, details of which were set out in the announcements of the Company dated 3 February 2016 and 17 May 2016, respectively, and the circular of the Company dated 24 March 2016.

On 18 May 2016, the Group completed the acquisition of 51% issued share capital in Five Seasons IX Limited and its subsidiaries at a consideration of RMB1,581,000 and the assumption of the relevant shareholder's loan at a consideration of RMB35,700,000, details of which were set out in the announcement of the Company dated 6 May 2016.

Additional Information Required by the Listing Rules

On 29 June 2016, the Group completed the disposal of 100% equity in Fullshare Green Building at a total consideration of RMB240,000,000, details of which were set out in the announcement of the Company dated 22 June 2016.

On 24 June 2016, the Group completed the subscription of 250,000,000 shares of Hin Sang Group, representing approximately 23.80% of the then issued share capital as enlarged by the issue of such 250,000,000 new shares of Hin Sang Group. The total consideration was satisfied by the allotment and issuance of 118,765,000 ordinary shares of the Company and the payment of HK$64,600,000 in cash. The details were set out in the announcement of the Company dated 27 April 2016.

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 "**Listing Rules**").

For the Period Under Review, except for those disclosed in this 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 Period Under Review are set out in note 3 of the interim condensed consolidated financial statements in this report.

CAPITAL COMMITMENTS

Details of the capital commitments of the Group as at 30 June 2016 are set out in note 23 of the interim condensed consolidated financial statements in this report.

CONTINGENT LIABILITIES

Details of the contingent liabilities of the Group as at 30 June 2016 are set out in note 20 of the interim condensed consolidated financial statements in this report.

Additional Information Required by the Listing Rules

STAFF AND REMUNERATION POLICIES

As at 30 June 2016, the Group had about 814 employees (31 December 2015: 765 employees). The Group's total staff costs (including executive directors' remuneration) amounted to approximately RMB79,343,000 for the Period Under Review (For the six months ended 30 June 2015: RMB48,165,000). Employee remunerations are determined according to the Group's operating results, job requirements, market salary level and ability of individuals. The Group regularly reviews its remuneration policy and additional benefit programs and makes necessary adjustments to bring them in line with the industry level. In addition to basic salaries, the Group has established revenue sharing programs and performance appraisal plans to provide rewards according to the Group's results and employees' individual performance.

SUBSEQUENT EVENTS

Details of the subsequent events of the Group as at 30 June 2016 are set out in note 27 of the interim condensed consolidated financial statements in this report.

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

During the Period Under Review, 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 2016, the interests and short positions of the directors (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 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	Approximate percentage of the issued share capital of the Company
Ji Changqun ("**Mr. Ji**")	The Company	Ultimate beneficial owner (Note)	10,126,770,454	64.27%
Mr. Shi Zhiqiang ("**Mr. Shi**")	The Company	Beneficial owner	2,780,000	0.02%
Mr. Wang Bo	The Company	Beneficial owner	6,000,000	0.04%

Note: 937,910,000 Shares are held by Mr. Ji directly as the beneficial owner. In addition, by virtue of the SFO, Mr. Ji is deemed to be interested in the 9,188,860,454 Shares held by Magnolia Wealth, a company incorporated in the British Virgin Islands whose entire issued share capital is beneficially owned by Mr. Ji. Accordingly, Mr. Ji is interested in 10,126,770,454 Shares.

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	Approximate 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 executive 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 2016.

Save as disclosed above, as at 30 June 2016, 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 2016, 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 as recorded in the register required to be kept under section 336 of the SFO:

Long positions in the Shares or underlying Shares

Name of Shareholders	Nature of interests	Number of issued Shares held	Approximate percentage of the issued share capital of the Company
Magnolia Wealth	Beneficial owner (Note 1)	9,188,860,454	58.32%
Superb Colour Limited ("**Superb Colour**")	Beneficial owner (Note 2)	1,410,255,950	8.95%
China Huarong International Holdings Limited（中國華融國際控股有限公司）("**China Huarong International**") (formerly known as Huarong (HK) International Holdings Limited（華融（香港）國際控股有限公司）	Interest of controlled corporation (Note 2)	1,410,255,950	8.95%

Additional Information Required by the Listing Rules

Name of Shareholders	Nature of interests	Number of issued Shares held	Approximate percentage of the issued share capital of the Company
Huarong Real Estate Co., Ltd. （華融置業有限責任公司） （"**Huarong Real Estate**"）	Interest of controlled corporation (Note 2)	1,410,255,950	8.95%
China Huarong Asset Management Co., Ltd. （中國華融資產管理股份有限公司） （"**China Huarong Asset**"）	Interest of controlled corporation (Note 2)	1,410,255,950	8.95%
Ministry of Finance of the PRC （中華人民共和國財政部） (the "**MFC**")	Interest of controlled corporation (Note 2)	1,410,255,950	8.95%

Notes:

1. The entire issued share capital of Magnolia Wealth is beneficially owned by Mr. Ji.

2. Reference is made to the disclosure of interest forms dated 23 June 2016 of Superb Colour, published on the Stock Exchange's website. Superb Colour is interested in 1,410,255,950 Shares. Superb Colour is a wholly-owned subsidiary of China Huarong International, which in turn is owned as to 88.1% by Huarong Real Estate. Huarong Real Estate is a wholly-owned subsidiary of China Huarong Asset, which in turn is owned as to 63.36% by the MFC. As such, each of China Huarong International, Huarong Real Estate, China Huarong Asset and the MFC is deemed to be interested in the said Shares under the SFO.

Additional Information Required by the Listing Rules

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 南京豐盛資產管理有限公司(Nanjing Fullshare Asset Management Limited*) ("**Nanjing Fullshare Asset Management**"), a limited liability company incorporated in the PRC on 19 July 2002, which as at 30 June 2016, is wholly owned by the Company and reverse takeover involving a new listing application (the "**RTO Circular**"), pursuant to the non-competition undertaking dated 25 October 2013 entered into between the controlling shareholders (being Mr. Ji and Magnolia Wealth) (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 a 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 in the RTO Circular) development business in the PRC, and they will only be involved in the commercial property development business. As at 30 June 2016, the Controlling Shareholders were engaged 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). 南京豐盛大族科技股份有限公司(Nanjing Fullshare Dazu Technology Company Limited*) ("**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 豐盛商滙(Feng Sheng Shang Hui*), has become an indirect wholly-owned subsidiary of the Group since 19 January 2015. Save for the Non-Competition Undertaking, as at 30 June 2016, the Controlling Shareholders did not give any other non-competition undertaking to the Company.

The Company has received written declarations on compliance with the undertaking under the Non-Competition Undertaking from Mr. Ji and Magnolia Wealth for the Period Under Review. Based on the declarations received from Mr. Ji and Magnolia Wealth and upon 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 Period Under Review.

* *English name for identification purposes only*

Additional Information Required by the Listing Rules

Save as disclosed above, as at 30 June 2016, 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. Fang Jian resigned as an executive director of the Company with effect from 22 June 2016.

Mr. Chen Minrui resigned as a non-executive director of the Company with effect from 30 March 2016.

Mr. Chow Siu Lui has became a partner in VMS Investment Group since April 2016. He has been serving as an independent non-executive director of Universal Medical Financial & Technical Advisory Services Company Limited (Hong Kong stock code: 2666) and Sinco Pharmaceuticals Holdings Limited (Hong Kong stock code: 6833) since July 2015 and March 2016, respectively.

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 Period Under Review 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 ("**CEO**") should be separate and should not be performed by the same individual. During the Period Under Review, the positions of chairman and CEO of the Company were held by Mr. Ji. 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. On 17 May 2016, the Company appointed Mr. Deng Xiaoxiong as Co-CEO of the Company, making the role of CEO more balanced.

Additional Information Required by the Listing Rules

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 at least once every three years in accordance with the articles of association of the Company. Since 17 May 2016, the appointment terms of the non-executive Directors of the Company have been changed to a specific team of three years, which is in compliance with the CG Code.

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 interim condensed consolidated financial statements for the Period Under Review have been reviewed by the audit committee of the Company. The unaudited interim condensed consolidated financial statements of the Group for the Period Under Review have been reviewed by the Company's auditor, Ernst & Young, 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.

Additional Information Required by the Listing Rules

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 to all Directors, they confirmed that they have complied with the required standards as set out in the Model Code for the Period Under Review.

By Order of the Board
Ji Changqun
Chairman

Hong Kong, 31 August 2016

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