

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Fullshare Holdings Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



**Fullshare Holdings Limited**

**豐盛控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 00607)**

**MAJOR TRANSACTION IN RELATION  
TO THE PROPOSED DISPOSAL OF THE ENTIRE EQUITY INTEREST IN  
JIANGSU PROVINCE FULLSHARE PROPERTY DEVELOPMENT LIMITED**

---

## CONTENTS

---

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	5
<b>Appendix I – Financial Information of the Group</b> .....	16
<b>Appendix II – Property Valuation Report</b> .....	19
<b>Appendix III – General Information</b> .....	36

---

## DEFINITIONS

---

*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“Board”	the board of Directors
“Business Day”	a day on which enterprises in the PRC are generally open for business (other than a Saturday, Sunday, a banking holiday or a public holiday)
“Company”	Fullshare Holdings Limited 豐盛控股有限公司, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange
“Completion”	the completion of the Disposal
“Conditions”	the conditions set out under the paragraph “Conditions precedent” under the section headed “The Disposal” in the “Letter from the Board” of this circular
“connected person(s)”	has the same meaning ascribed to it in the Listing Rules
“Consideration”	the total consideration of RMB467 million (equivalent to approximately HK\$584 million) payable by the Purchaser for the entire equity interest of Jiangsu Fullshare Property subject to the terms and conditions of the Equity Transfer Agreement
“controlling shareholder(s)”	has the same meaning ascribed to it in the Listing Rules
“Controlling Shareholders”	the controlling shareholders of the Company, namely Mr. Ji and Magnolia Wealth
“Directors”	the directors of the Company
“Disposal”	the proposed disposal of the entire equity interest in Jiangsu Fullshare Property by Nanjing Fullshare Asset Management to the Purchaser pursuant to the terms and conditions of the Equity Transfer Agreement

---

## DEFINITIONS

---

“Equity Pledge Agreement”	the equity pledge agreement dated 29 May 2015 entered into amongst the Purchaser (as pledgor), Nanjing Fullshare Asset Management (as pledgee) and Jiangsu Fullshare Property (as target company) in relation to the pledge of the entire equity interest of Jiangsu Fullshare Property by the Purchaser to Nanjing Fullshare Asset Management
“Equity Pledge Registration”	registration with the relevant Administration for Industry and Commerce in the PRC of the Equity Pledge Agreement
“Equity Transfer Agreement”	the conditional equity transfer agreement dated 29 May 2015 entered into amongst Nanjing Fullshare Asset Management (as vendor), the Purchaser (as purchaser) and Jiangsu Fullshare Property (as target company) in relation to the Disposal
“Equity Transfer Procedures”	the relevant procedures pursuant to the applicable laws and the requirements of the relevant governmental authorities in respect of the Disposal, including but not limited to the registration with the relevant Administration for Industry and Commerce in the PRC of the Disposal and obtaining a new business licence
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jiangsu Fullshare Property”	Jiangsu Province Fullshare Property Development Limited* (江蘇省豐盛房地產開發有限公司), a company incorporated in the PRC and a direct wholly-owned subsidiary of Nanjing Fullshare Asset Management as at the Latest Practicable Date
“Latest Practicable Date”	13 June 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

---

## DEFINITIONS

---

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Magnolia Wealth”	Magnolia Wealth International Limited, a company incorporated in the British Virgin Islands, the entire issued share capital of which is beneficially owned by Mr. Ji
“Mr. Ji”	Mr. Ji Changqun, the Chairman, Chief Executive Officer, an executive Director and a controlling shareholder of the Company
“Nanjing Fullshare Asset Management”	Nanjing Fullshare Asset Management Limited* (南京豐盛資產管理有限公司), a limited liability company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China, which shall, for the purposes of the circular, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	南京善寶投資管理有限公司 (Nanjing Shanbao Investment Management Limited*), a limited liability company incorporated in the PRC
“Receivables”	the non-interest bearing intra-group receivables owed and payable by Jiangsu Fullshare Property to Nanjing Fullshare Asset Management in an aggregate amount of approximately RMB126.86 million (equivalent to approximately HK\$158.58 million) as at the date of the Equity Transfer Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“sq.m.”	square metre(s)

---

## DEFINITIONS

---

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Unpaid Dividend”	the unpaid dividend of approximately RMB36.73 million (equivalent to approximately HK\$45.91 million) declared by Jiangsu Fullshare Property to Nanjing Fullshare Asset Management
“%”	per cent

*For the purpose of the circular, unless the context otherwise requires, conversion of Renminbi into Hong Kong dollars is based on the approximate exchange rate of RMB0.8 to HK\$1. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in Hong Kong dollars or RMB have been, could have been or may be converted at such or any other rate or at all.*

\* *In this circular, the English translation of certain Chinese names, entities and addresses is included for information purpose only and should not be regarded as official English translation of such Chinese names, entities and addresses.*

---

LETTER FROM THE BOARD

---



**Fullshare Holdings Limited**

**豐盛控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 00607)**

*Executive Directors:*

Mr. Ji Changqun  
Mr. Shi Zhiqiang  
Mr. Wang Bo  
Mr. Fang Jian

Registered office:

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Non-executive Directors:*

Mr. Eddie Hurip  
Mr. Chen Minrui

*Principal place of business  
in Hong Kong:*

Unit 2526, Level 25  
Admiralty Centre, Tower 1  
18 Harcourt Road, Admiralty  
Hong Kong

*Independent non-executive Directors:*

Mr. Lau Chi Keung  
Mr. Chow Siu Lui  
Mr. Tsang Sai Chung

19 June 2015

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTION IN RELATION  
TO THE PROPOSED DISPOSAL OF THE ENTIRE EQUITY INTEREST IN  
JIANGSU PROVINCE FULLSHARE PROPERTY DEVELOPMENT LIMITED**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 29 May 2015 in relation to, *inter alia*, the Disposal. The purpose of this circular is to provide you with, *inter alia*, (i) details of the Disposal; (ii) the property valuation report; and (iii) other information in accordance with the Listing Rules.

---

## LETTER FROM THE BOARD

---

### THE DISPOSAL

After trading hours of the Stock Exchange on 29 May 2015, Nanjing Fullshare Asset Management, the Purchaser and Jiangsu Fullshare Property entered into the Equity Transfer Agreement, pursuant to which Nanjing Fullshare Asset Management has conditionally agreed to sell the entire equity interest in Jiangsu Fullshare Property, an indirect wholly-owned subsidiary of the Company, to the Purchaser for a total consideration of RMB467 million (equivalent to approximately HK\$584 million) pursuant to the terms and conditions of the Equity Transfer Agreement. Details of the Equity Transfer Agreement are set out below.

### Equity Transfer Agreement

#### *Date*

29 May 2015 (after trading hours)

#### *Parties*

- (i) Nanjing Fullshare Asset Management, an indirect wholly-owned subsidiary of the Company, as vendor;
- (ii) The Purchaser, as purchaser; and
- (iii) Jiangsu Fullshare Property, an indirect wholly-owned subsidiary of the Company, as target company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

#### *Assets to be disposed of*

Pursuant to the Equity Transfer Agreement, Nanjing Fullshare Asset Management has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the entire equity interest in Jiangsu Fullshare Property, an indirect wholly-owned subsidiary of the Company.

The principal asset of Jiangsu Fullshare Property is three residential property development projects in Yancheng, the PRC, namely XiChengYiPin (西城逸品), XiChengFuDi (西城府邸) and JiuZongGou (九總溝) with an aggregate GFA of approximately 19,338 sq.m. held for sale, approximately 369,276 sq.m. under development and approximately 222,806 sq.m. held for future development as of 31 March 2015.



---

## LETTER FROM THE BOARD

---

The residential property development project named JiuZongGou (九總溝) is to be developed on a parcel of land located at the south of Jiuzonggou and east of Kaichung Road, Yandu District, Yancheng City, Jiangsu Province, the PRC (the “**JiuZongGou Land Parcel**”). As at the Latest Practicable Date, the development of the JiuZongGou Land Parcel was still in the preliminary planning stage. As advised by the PRC legal advisers of the Company, Shanghai AllBright Law Offices (“**AllBright**”), according to the State-owned Land Use Rights Grant Contract (國有建設用地使用權出讓合同), the construction work should commence before 31 December 2011 and completed before 31 December 2014. As at the Latest Practicable Date, the construction work had yet to commence and it was over three years behind the commencement date stipulated in the aforesaid contract. AllBright are of the opinion that, according to the relevant PRC laws, regulations and policies, the JiuZongGou Land Parcel should not be considered as an idle land, the land use rights should not be resumed and idle land penalty fee should not be charged so long as the construction work commences within one year from April 2015 because the delay was caused by a change of town planning by the relevant government authority; the Yancheng City Land Resources Bureau (鹽城市市國土資源局) and its Yandu Branch (鹽城市市國土資源局鹽都分局) had respectively approved the construction delay applications and the latest approved construction commencement date was April 2015; and Jiangsu Fullshare Property had not received any notification of investigation of idle land, written confirmation of idle land or written decision on idle land fee as at the Latest Practicable Date. AllBright also recommended that if Jiangsu Fullshare Property will not be able to commence the construction work within one year after the approved construction commencement date, i.e. by April 2016, Jiangsu Fullshare Property should submit a new construction commencement delay application to the Yancheng City Land Resources Bureau (鹽城市市國土資源局) to confirm a new approved construction commencement date to avoid the JiuZongGou Land Parcel being considered as an idle land. As such, the Company would not expect any contingent liabilities as a result of the delay in the commencement of the construction work on the JiuZongGou Land Parcel. As advised by AllBright, under the Equity Transfer Agreement, Nanjing Fullshare Asset Management will not be liable to the Purchaser in case the JiuZongGou Land Parcel is considered as an idle land after Completion.

### **Consideration**

The Consideration payable by the Purchaser to Nanjing Fullshare Asset Management is RMB467 million (equivalent to approximately HK\$584 million), which will be paid by installments in the following manners:

- (i) within 10 Business Days after the Equity Transfer Agreement has been signed, RMB46.7 million, being 10% of the Consideration, will be deposited by the Purchaser to a bank account designated by Nanjing Fullshare Asset Management (the “**First Installment**”); and
- (ii) within 120 Business Days after completion of the Equity Transfer Procedures and the Equity Pledge Registration, RMB420.30 million, being the balance of the Consideration, will be deposited by the Purchaser to a bank account designated by the Nanjing Fullshare Asset Management (the “**Second Installment**”).

---

## LETTER FROM THE BOARD

---

### ***Basis of determining the Consideration***

The Consideration was agreed between Nanjing Fullshare Asset Management and the Purchaser after arms' length negotiations based on 10% premium on the adjusted net asset value of Jiangsu Fullshare Property as at 31 December 2014. The approximately 10% premium on the adjusted net asset value of Jiangsu Fullshare Property was arrived at on a willing seller willing buyer basis having taken into account of the financial performance and business prospect of Jiangsu Fullshare Property, including (i) only remaining stocks of XiChengYiPin (西城逸品) representing 2% of its total GFA being left and the expectation that sales of XiChengYiPin (西城逸品) will continue to decrease and the project of XiChengYiPin (西城逸品) will no longer contribute significant revenue to Jiangsu Fullshare Property or material to Jiangsu Fullshare Property's property portfolio; (ii) lower gross profit margin for XiChengFuDi (西城府邸) due to its higher construction costs; and (iii) extensive financing required for ongoing capital investments on the development cost for XiChengFuDi (西城府邸) and JiuZongGou (九總溝) before a positive return can be channeled to Jiangsu Fullshare Property in the short or medium term. Please refer to the section headed "Reasons for and Benefits of the Transactions" for more details. The adjusted net asset value of approximately RMB424.13 million is calculated based on (a) the unaudited net asset value of Jiangsu Fullshare Property as at 31 December 2014 of approximately RMB460.86 million minus (b) the Unpaid Dividend declared by Jiangsu Fullshare Property to Nanjing Fullshare Asset Management in April 2015 of approximately RMB36.73 million. The valuation of the properties in Yancheng City, Jiangsu Province, the PRC attributable to Jiangsu Fullshare Property as at 31 March 2015, which is set out in Appendix II Property Valuation Report to this circular, was not available on the date of the Equity Transfer Agreement nor was it taken into account by the parties to the Equity Transfer Agreement in determining the Consideration. Such valuation was included in this circular pursuant to the requirements of the Listing Rules.

### ***Conditions precedent***

Completion is conditional upon fulfillment of the Conditions as set forth below:

- (a) the Equity Pledge Agreement having been signed by both Nanjing Fullshare Asset Management and the Purchaser pursuant to which the Purchaser will pledge the entire equity interest in Jiangsu Fullshare Property to Nanjing Fullshare Asset Management to secure the obligations of the Purchaser to pay the Consideration, the Unpaid Dividend and the Receivables under the Equity Transfer Agreement;
- (b) the Company having published the relevant announcement and/or circular (if necessary) and having obtained the Shareholders' approval (if necessary) in relation to the Equity Transfer Agreement, the Disposal and other transactions contemplated under the Equity Transfer Agreement in accordance with the Listing Rules and the requirements of the Stock Exchange; and

---

## LETTER FROM THE BOARD

---

- (c) the First Installment having been paid by the Purchaser in accordance with the terms of the Equity Transfer Agreement.

None of the above conditions is waivable. As at the date of this circular, the conditions set out in (a) and (b) above have been fulfilled.

### ***Completion***

After the fulfillment of all the Conditions and completion of the Equity Transfer Procedures (which shall be completed within 20 Business Days after the fulfillment of all the Conditions), the Completion shall take place on the date on which Jiangsu Fullshare Property obtains its new business licence.

Upon the Completion, Nanjing Fullshare Asset Management will cease to hold any equity interest in Jiangsu Fullshare Property and Jiangsu Fullshare Property will cease to be a subsidiary of the Company.

### ***Unpaid Dividend and Receivables***

Jiangsu Fullshare Property has declared and obtained shareholder's approval from Nanjing Fullshare Asset Management for payment of the Unpaid Dividend of approximately RMB36.73 million (equivalent to approximately HK\$45.91 million) to Nanjing Fullshare Asset Management. Under the Equity Transfer Agreement, the Purchaser has agreed to, subject to Completion, pay the Unpaid Dividend to Nanjing Fullshare Asset Management on behalf of Jiangsu Fullshare Property within 12 months after the date of the Equity Transfer Agreement. The Unpaid Dividend is non-interest bearing. The Purchaser and Jiangsu Fullshare Property will be jointly and severally liable for the payment of the Unpaid Dividend to Nanjing Fullshare Asset Management upon Completion.

After setting-off the intra-group payables and receivables between the Group and Jiangsu Fullshare Property, the Receivables, being intra-group receivables relating to working capital and financing for capital expenditure in an aggregate amount of approximately RMB126.86 million (equivalent to approximately HK\$158.58 million) as at the date of the Equity Transfer Agreement, are owed and payable by Jiangsu Fullshare Property to Nanjing Fullshare Asset Management. Under the Equity Transfer Agreement, the Purchaser has agreed to, subject to Completion, pay the Receivables to Nanjing Fullshare Asset Management on behalf of Jiangsu Fullshare Property within 120 Business Days after the date of the Equity Transfer Agreement. In the event that the Receivables to Nanjing Fullshare Asset Management are not repaid in full on time, default interest at the rate of 15% per annum will be charged for late payment. The Purchaser and Jiangsu Fullshare Property will be jointly and severally liable for the payment of the Receivables and default interest (if any) to Nanjing Fullshare Asset Management upon Completion. The default

---

## LETTER FROM THE BOARD

---

interest at the rate of 15% per annum was determined with reference to the prevailing benchmark RMB lending rate for a term of one year or less of approximately 5.10% per annum published by the People's Bank of China. It represents almost three times of such benchmark RMB lending rate to induce the Purchaser to repay the Receivables in full on time.

### ***Equity Pledge Agreement***

To secure the obligations of the Purchaser to pay the Consideration, the Unpaid Dividend and the Receivables under the Equity Transfer Agreement, the Purchaser has agreed to pledge the entire equity interest in Jiangsu Fullshare Property to Nanjing Fullshare Asset Management under the Equity Transfer Agreement.

On 29 May 2015, the Purchaser (as pledgor), Nanjing Fullshare Asset Management (as pledgee) and Jiangsu Fullshare Property (as target company) entered into the Equity Pledge Agreement pursuant to which the Purchaser has agreed to pledge the entire equity interest in Jiangsu Fullshare Property together with all the rights and interest thereto (including but not limited to dividends) to Nanjing Fullshare Asset Management to secure the performance of the Purchaser's obligations under the Equity Transfer Agreement (including but not limited to the obligations to pay the Consideration, the Unpaid Dividend and the Receivables) and all interests, penalties, damages and litigation costs, legal fees and other costs relating to enforcement of the pledge. The Equity Pledge Registration and the Equity Transfer Procedures will be applied for at the same time. The pledge in relation to 90% equity interest in Jiangsu Fullshare Property will be released within 10 Business Days after the receipt in full of the Consideration and the Receivables by Nanjing Fullshare Asset Management. Nanjing Fullshare Asset Management will deregister the Equity Pledge Registration within 10 Business Days after the receipt in full of the Consideration, the Unpaid Dividend and the Receivables by Nanjing Fullshare Asset Management.

### ***Termination***

In the event of any material breach of the Equity Transfer Agreement which is not remedied within twenty (20) Business Days of the written notice given by the non-defaulting party to the defaulting party, the non-defaulting party shall have the right to terminate the Equity Transfer Agreement.

## **INFORMATION OF THE PARTIES**

### **The Group**

The Company is incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange. The principal business activity of the Company is investment holding. The Group is principally engaged in the businesses of green building, green urban EPC (Engineering Procurement Construction), EMC (Energy Management Contract) services and property development in the PRC.

---

## LETTER FROM THE BOARD

---

### **Nanjing Fullshare Asset Management**

Nanjing Fullshare Asset Management is a limited liability company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company. Its principal business activity is investment holding.

### **The Purchaser**

The Purchaser is a limited liability company incorporated in the PRC. Its principal business activity is investment and assets management, corporate management consultancy and cultural exchange organization.

### **Jiangsu Fullshare Property**

Jiangsu Fullshare Property is a limited liability company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company. Its principal business activity is residential property development and sale in the PRC.

### **Financial information of Jiangsu Fullshare Property**

Set out below is a summary of the unaudited financial information of Jiangsu Fullshare Property for the two financial years ended 31 December 2013 and 2014 prepared in accordance with the Hong Kong Financial Reporting Standards:

	<b>For the financial year ended 31 December</b>	
	<b>2014</b>	<b>2013</b>
	<i>RMB'000</i>	<i>RMB'000</i>
Net profits before taxation and extraordinary items	24,499	49,573
Net profits after taxation and extraordinary items	26,458	32,553
	<b>As at 31 December</b>	
	<b>2014</b>	<b>2013</b>
	<i>RMB'000</i>	<i>RMB'000</i>
Total assets	1,156,736	1,155,404
Total liabilities	695,878	721,004
Net assets	460,858	434,400

According to the valuation report prepared by Crowe Horwath (HK) Consulting & Valuation Limited adopting market approach, the valuation of the properties in Yancheng City, Jiangsu Province, the PRC attributable to Jiangsu Fullshare Property as at 31 March 2015 was approximately RMB809,000,000.

---

## LETTER FROM THE BOARD

---

### REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The property portfolio of Jiangsu Fullshare Property is three residential property development projects in Yancheng City, Jiangsu Province, the PRC, namely XiChengYiPin (西城逸品), XiChengFuDi (西城府邸) and JiuZongGou (九總溝).

Jiangsu Fullshare Property succeeded in the bid of the land use rights of the land in relation to XiChengYiPin (西城逸品) project on 25 April 2007. XiChengYiPin (西城逸品) have commenced sales since 2009 and it had contributed large portion of the contracted sales amounting to approximately RMB1,635 million and an accumulated revenue amounting to approximately RMB1,517 million to Jiangsu Fullshare Property during the period from the commencement of sales to 31 December 2014. As at 31 December 2014, approximately 98% in terms of total GFA of XiChengYiPin (西城逸品) project was sold and approximately 2% remaining to be sold. As only remaining stocks of XiChengYiPin (西城逸品) are left, it is expected that sales of XiChengYiPin (西城逸品) will continue to decrease and the project of XiChengYiPin (西城逸品) will no longer contribute significant revenue to the Group or material to the Group's property portfolio.

As at 31 December 2014, Phases 1 and 2 of XiChengFuDi (西城府邸) project has commenced development with a total GFA of approximately 46,898 sq.m. completed and approximately 46,898 sq.m. pre-sold. However, higher construction cost resulted in lower gross profit margin for XiChengFuDi (西城府邸) project. As such, addition to the decreasing sales of XiChengYiPin (西城逸品), lower gross profit margin for XiChengFuDi (西城府邸) caused negative impacts on the financial position of Jiangsu Fullshare Property.

As at 31 December 2014, (i) a total GFA of approximately 374,723 sq.m. of XiChengFuDi (西城府邸) is under development and held for future development, the estimated development cost of which is approximately RMB957 million; and (ii) a total GFA of approximately 222,806 sq.m. of JiuZongGou (九總溝) is still in the preliminary planning stage, the estimated development cost of which is approximately RMB582 million. It is anticipated by the Directors that extensive financing is required for ongoing capital investments on the development cost for these projects before a positive return can be channeled to the Group in the short or medium term. As such, the Directors consider that it is an opportune time for the Group to re-assess the Group's investments in Jiangsu Fullshare Property in consideration of the potential capital investments and the business prospect of Jiangsu Fullshare Property.

In addition, the Group will record a cash inflow of approximately RMB467 million from the Disposal, which in turn will strengthen the financial position of the Group.

Nanjing Fullshare Asset Management had approached other potential purchasers for the disposal of Jiangsu Fullshare Property but was unable to reach any definitive agreement with any of them. As such, Nanjing Fullshare Asset Management entered into the Equity Transfer Agreement with the Purchaser instead of other potential purchasers.

---

## LETTER FROM THE BOARD

---

The deferred payment of the Second Installment and the payment arrangement relating to the Unpaid Dividend and the Receivables were requested by the Purchaser and it was agreed to by Nanjing Fullshare Asset Management and the Purchaser as a result of arm's length negotiations between the parties after taking into account the following factors: (i) security is provided by the Purchaser in favour of Nanjing Fullshare Asset Management for securing the Purchaser's payment obligations of the Second Installment, the Unpaid Dividend and the Receivables; and (ii) all the terms and conditions of the Disposal (including the amount of the Consideration) as a whole. Since the entire equity interest in Jiangsu Fullshare Property will be pledged to Nanjing Fullshare Management under the Equity Pledge Agreement and the Equity Pledge Registration and the Equity Transfer Procedures will be applied for at the same time and the Equity Pledge Registration will not be deregistered until after the receipt in full of the Consideration, the Unpaid Dividend and the Receivables, the Directors consider that the Equity Pledge Agreement could effectively manage the risks of default in the Purchaser's payment obligations and safeguard the interests of the Company. Further, given payment of consideration by installments with the majority of the consideration amount payable after completion has been adopted by the Group in its previous acquisitions, the Directors consider the deferred payment of the Second Installment is with reference to the payment arrangements adopted in the previous acquisitions of the Group. The deferred payment of the Second Installment was not a factor having been taken into account in determining the Consideration.

Taking into consideration of the above, the Directors consider the Disposal represents a good opportunity for the Group to divest its investment in Jiangsu Fullshare Property and to focus its resources in its operation and potential investments. The Directors consider the terms of the Equity Transfer Agreement, the Equity Pledge Agreement and the Disposal (including the financial assistance to be provided by Nanjing Fullshare Asset Management to the Purchaser or Jiangsu Fullshare Property (as the case may be) upon Completion in connected with the deferred payment of the Second Installment, the Unpaid Dividend and the Receivables) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS FROM THE DISPOSAL**

Upon the Completion, Nanjing Fullshare Asset Management will cease to hold any equity interest in Jiangsu Fullshare Property and Jiangsu Fullshare Property will cease to be a subsidiary of the Company, and the financial results of Jiangsu Fullshare Property will no longer be consolidated in the accounts of the Group.

It is expected that, subject to audit, the Group will record a gain from the Disposal of approximately RMB69.5 million before tax (or approximately RMB53 million after an estimated tax of approximately RMB16.5 million), which is calculated with the reference to the Consideration for the Disposal, the net asset value of Jiangsu Fullshare Property as at 31 December 2014 recorded in the books of the Company, the Unpaid Dividend and some consolidated adjustments which are considered as necessary.



---

## LETTER FROM THE BOARD

---

The exact amount of the gain on the Disposal to be recorded in the consolidated statement of profit or loss of the Group for the year ending 31 December 2015 is subject to audit, and will be calculated based on the net asset value of Jiangsu Fullshare Property disposed of as at Completion and net of any incidental expenses and therefore may be varied from the figure provided above.

Based on the audited consolidated accounts of the Group as at 31 December 2014, it is expected that there would be a decrease of approximately RMB663 million in the total assets of the Group and a decrease of approximately RMB716 million effect on the total liabilities of the Group as a result of the Disposal. The net asset increment is the result of gain from Disposal after tax.

Following the Completion, the Group will receive net proceeds of approximately RMB467 million (equivalent to approximately HK\$584 million). The Group intends to apply the net proceeds for general working capital of the Group and potential acquisitions and investments relating to properties projects, green building service area and any other areas which are in the interests of the Company and the Shareholders as a whole as and when opportunities arise.

As at the Latest Practicable Date, all potential acquisitions and investments of the Group have been disclosed pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Further announcement(s) will be made by the Company pursuant to the Listing Rules as and when appropriate.

### **LISTING RULES IMPLICATIONS**

As the applicable percentage ratios in respect of the Disposal exceed 25% but are less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting, announcement and shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

### **WRITTEN SHAREHOLDER'S APPROVAL**

Pursuant to Rule 14.44 of the Listing Rules, in lieu of a resolution to be passed at a general meeting of the Company, the written shareholder's approval for the Disposal has been obtained from Magnolia Wealth, a controlling shareholder of the Company directly holding 9,181,497,954 Shares, representing approximately 67.66% of the issued share capital of the Company. To the best of the Directors' knowledge, information and belief, none of the Shareholders has any material interest in the Disposal and therefore no Shareholder is required to abstain from voting if the Company were to convene an extraordinary general meeting for the approval of the Disposal.



---

## LETTER FROM THE BOARD

---

### ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,  
For and on behalf of the Board  
**Fullshare Holdings Limited**  
**Ji Changqun**  
*Chairman*

**STATEMENT OF INDEBTEDNESS****Borrowings**

As at the close of business on 30 April 2015, being the latest practicable date for the purpose of ascertaining the indebtedness prior to the printing of this circular, the Group had outstanding secured bank and other loans of RMB1,613,280,000, which were secured by the Group's properties under development with carrying value of approximately RMB1,512,634,000, unsecured other borrowings of approximately RMB591,250,000, amount due to a shareholder of approximately RMB16,812,000 and corporate bonds of approximately RMB8,326,000.

As at the close of business on 30 April 2015, Nanjing Fullshare Energy Management Company Limited\* (南京豐盛能源管理有限公司), Nanjing Far-seeker Energy Technology Company Limited\* (南京法斯克能源科技發展有限公司) and Anhui Green Building Company Limited\* (安徽省綠色建築有限公司) had unsecured borrowings of approximately RMB57,259,000. As at 12 June 2015, completion of acquisition of the aforesaid companies has already taken place and therefore, such liabilities were not consolidated into the Group's results on 30 April 2015. Following the completion of acquisition, each of Nanjing Fullshare Energy Management Company Limited and Anhui Green Building Company Limited has become an indirect wholly-owned subsidiary of the Company and Nanjing Far-seeker Energy Technology Company Limited has become an indirect 95% owned subsidiary of the Company.

**Contingent liabilities**

The Group provides guarantees to banks in connection with its customers' mortgage loans to finance their purchase of the residential properties developed by the Group. As of 30 April 2015, outstanding balance of the mortgage loans guaranteed by the Group was approximately RMB1,081,704,000. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay 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 consider that the likelihood of default in payments by purchasers is minimal and therefore the financial guarantees measured at fair value are immaterial.

Save as aforesaid and apart from intra-group liabilities, none of the entities of the Group had any debt securities which are issued and outstanding, or authorised or otherwise created but unissued, term loans, other borrowings or indebtedness in the nature of borrowing of the Group including bank overdrafts, liabilities under acceptances (other than normal trade bills), acceptance credits or hire purchase commitments, mortgage, charges, guarantees or other material contingent liabilities as at the close of business on 30 April 2015.

## FINANCIAL AND TRADING PROSPECT OF THE GROUP

The revenue of the Group mainly came from sales of real properties and green building service.

The revenue of property sales of the Group for the year ended 31 December 2014 (“**Year 2014**”) was approximately RMB631,240,000, representing a decline of 27% when compared with the year ended 31 December 2013 (“**Year 2013**”). The Group delivered properties with an aggregate GFA of approximately 107,330 sq.m. in Year 2014, representing a decrease of approximately 49,630 sq.m. over last year. Gross profit margin for property sales decreased by approximately 6% over Year 2013. The average selling price recognised in Year 2014 was RMB5,881 per sq.m.. For Year 2014, the Group made contracted sales of approximately RMB503,766,000, representing an increase of approximately 8% over Year 2013. The Group made contracted sales for an aggregate GFA of approximately 73,669 sq.m., representing a decrease of 3% over Year 2013. Average selling price was approximately RMB6,838 per sq.m., representing an increase of approximately 12% over Year 2013, which was mainly due to the higher selling price per sq.m. of the property project of a subsidiary newly acquired during Year 2014. As of 31 December 2014, the Group’s contracted sales for the contracts signed but not yet delivered were approximately RMB437,882,000, with a total area of approximately 61,871 sq.m. providing a solid foundation for the continuous stable growth of the Group’s future revenue.

As of 31 December 2014, the Group completed the acquisition of the entire equity interest in Fullshare Green Building Group Company Limited\* (豐盛綠建集團有限公司, “**Fullshare Lujian**”, formerly known as Jiangsu Ruiheng Construction Limited\* 江蘇銳恒建設有限公司) and its subsidiary, a new business segment of “Green Building Services” was then established. The green building service segment is principally engaged in green building, green urban EPC (Engineering-Procurement-Construction), EMC (Energy Management Contract) services, etc in the PRC. For the period from the completion date of the acquisition (being 15 December 2014) to 31 December 2014, the revenue of the Group from green building services was approximately RMB12,553,000, with a gross profit margin of approximately 4%. The Group expects that the green building services will further expand the income source of the Group.

The outlook of the global economy is clouded with considerable uncertainties. The Group will continue to streamline and strengthen its existing businesses and operations to meet the challenges ahead. The Company’s management is watchful of economic fluctuations ahead and will continue to take a cautious and prudent approach in managing the Group’s assets and assessing new investment opportunities to enhance Shareholders’ value. The Disposal will enable the Group to realise the value of its investment at an opportune time. The properties project at Jiangsu, Chongqing and ZhuGong in PRC will form a major part of the Group’s current property portfolio and continue to provide stable and recurring revenue to the Group. Besides, green building service will further expand the sources of revenue of the Group. The Group will continue to re-align its resources for its business growth and enhance its operational efficiency. In addition,

with the increase in working capital after the Disposal, the Group will continue to cautiously manage its investment portfolio in view of the market conditions and its business needs with a view to maximising returns to the Shareholders.

**WORKING CAPITAL**

The Directors are of the opinion that, in the absence of unforeseeable circumstances, after taking into account the Group's business prospects, internal resources, available credit facilities and the Completion, the Group has sufficient working capital for its requirements for at least twelve months from the date of this circular.

*The following is the text of a letter, summary of values and valuation certificate, prepared for the purpose of incorporation in this circular received from Crowe Horwath (HK) Consulting & Valuation Limited, an independent property valuer, in connection with its valuation as at 31 March 2015 of certain property interests held by Jiangsu Province Fullshare Property Development Limited, which are proposed to be disposed by Nanjing Fullshare Asset Management Limited, a wholly-owned subsidiary of Fullshare Holdings Limited, in Yancheng City, the PRC.*



國富浩華(香港)諮詢評估有限公司  
Crowe Horwath (HK) Consulting &  
Valuation Limited  
Member Crowe Horwath International  
香港 銅鑼灣 禮頓道77號 禮頓中心9樓  
9/F Leighton Centre,  
77 Leighton Road,  
Causeway Bay, Hong Kong  
電話 Main +852 2894 6888  
傳真 Fax +852 2895 3752  
www.crowehorwath.hk

19 June 2015

Dear Sirs,

In accordance with your instruction for us to value certain property interests in Yancheng City, Jiangsu Province, the People's Republic of China (the "PRC") held by Jiangsu Province Fullshare Property Development Limited ("Jiangsu Fullshare Property"), the entire equity interest in which are proposed to be disposed (the "Disposal") by Nanjing Fullshare Asset Management Limited ("Nanjing Fullshare Asset Management"), being a wholly-owned subsidiary of Fullshare Holdings Limited (the "Company"), pursuant to the conditional equity transfer agreement dated 29 May 2015 (the "Equity Transfer Agreement") entered into amongst Nanjing Fullshare Asset Management (as vendor), Nanjing Shanbao Investment Management Limited (the "Purchaser") (as purchaser) and Jiangsu Fullshare Property (as target company). With details stated in the valuation certificate attached, we confirm that we have carried out inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the capital values of such property interests as at **31 March 2015** (the "Date of Valuation") for public circular purpose in relation to the Disposal.

Our valuation is carried out on a Market Value basis, which is defined as "the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion."

This valuation is complied with the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors ("HKIS"), the RICS Valuation – Professional Standards published by the Royal Institution of Chartered Surveyors ("RICS") and International Valuation Standards ("IVS") published by the International Valuation Standards Council. We have also complied with all the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("the Listing Rules").

Our valuation has been made on the assumption that the owner sells the properties on the open market without the benefit or burden of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which would serve to affect the values of the property interests.

No allowance has been made in our valuation neither for any charges, mortgages or amounts owing on the property interests nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free of encumbrances, restrictions and outgoings of onerous nature which could affect their values.

For the property interests in Group I, which are property interests completed and held by Jiangsu Fullshare Property for sale, we have valued each of those property interests by the direct comparison approach under the assumption that sale of each of these property interests in its existing state with the benefit of vacant possession. The property interests valued by the comparison approach consist of comparisons based on prices realized or current asking prices of comparable properties. Comparable properties of similar size, character and location are selected and then analyzed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values.

For the property interests in Group II, which are property interests under development held by Jiangsu Fullshare Property, and Group III, which are property interests held by Jiangsu Fullshare Property for future development, we have valued the property interests on the basis that the properties will be developed and completed in accordance with Jiangsu Fullshare Property's latest development schemes provided to us. We have assumed that all consents, approvals and licenses from relevant government authorities for the development proposals have been/could be obtained without onerous conditions or delays. In arriving at our opinion of values for the property interests under development or held for future development, we have adopted direct comparison method. We have made reference to comparable land transaction evidence as available in the relevant market to arrive at the capital values of such property interests and have also taken into consideration the development costs already spent and/or to be spent to reflect the quality of the completed development. We reserve the rights to change of the capital values opinion if there is any material change of the state of the property interests concerned. The change of the approvals, including the development parameters approved, and any delay on getting the approvals from the relevant authorities are considered the potential risks that may render a material change on the state and the capital value of the property interests.

In the course of our valuation, we have relied on the legal opinion provided by the Company's PRC legal advisor, Shanghai AllBright Law Offices, and have been provided with certain title documents relating to such property interests by Jiangsu Fullshare Property and the Company. We have not, however, searched the original documents to verify ownership or any amendment which did not appear on the copies handed to us. All documents have been used for reference only. We have relied to a considerable extent on information given by Jiangsu Fullshare Property and the Company, in particular, but not limited to, historical sales records, development schemes, planning approvals, statutory notices, construction costs, easements, occupancy/tenancies, floor and site areas, etc.. We have taken every reasonable care both during inspecting the information provided to us and in making relevant enquiries.

Site inspections of the properties were carried out by Mr Alex Ma, a probationary member of Hong Kong Institute of Surveyors and Assistant Manager of Crowe Horwath (HK) Consulting & Valuation Limited, in May 2015. The staff responsible for the inspections have over three years of valuation experience in the real estate sector in the PRC. We have inspected the exterior and, where possible, the interior of the properties. We have not inspected those parts of the properties which were covered, unexposed or inaccessible and such parts have been assumed to be in reasonable condition. We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

In the course of our inspection, we did not notice any serious defects. However, we have not carried out any structural survey or any tests on the building services. Therefore, we are not able to report whether the properties are free of rot, infestation or any other structural defects. We have not carried out investigations on the site to determine the suitability of the ground conditions, the services, etc. for any future development. We have not carried out any investigation into past or present uses, either of the properties or of any neighboring land, to establish whether there is any contamination or potential for contamination to the properties from these uses or sites, and have therefore assumed that none exists.

In valuing the properties in the PRC, unless otherwise stated, we have assumed that transferable land use rights of the properties for respective specific terms at nominal annual land use fees have been granted and that any land grant premium payables have already been fully paid. Unless otherwise stated, we have also assumed that Jiangsu Fullshare Property has enforceable titles to the properties and has free and uninterrupted rights to occupy, use, transfer, lease or assign the properties for the whole of the respective unexpired terms as granted.

We have had no reason to doubt the truth and accuracy of the information provided to us by Jiangsu Fullshare Property and the Company. We have also sought confirmation from Jiangsu Fullshare Property and the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

All monetary amounts are stated in Renminbi (“RMB”).

Our findings or conclusion of values of the properties in this report are valid only for the stated purpose and at the Date of Valuation, and for the sole use of the Company. We or our personnel shall not be required to give testimony or attendance in court or to any government agency by reason of this report, and the valuer accepts no responsibility whatsoever to any other person.

Neither the whole nor any part of this report or any reference made hereto may be included in any published documents, circular or statement, or published in any way, without our written approval of the form and context in which it may appear.

Our liability for loss or damage shall be limited to such sum as we ought reasonably to pay having regard to our responsibility for the same on the basis that all other consultants and specialists, where appointed, shall be deemed to have provided to the Company contractual undertakings in respect of their services and shall be deemed to have paid to the Company such contribution as may be appropriate having regard to the extent of their responsibility for such loss or damage.

Our liability for any loss or damage arising out of the action or proceedings aforesaid shall, notwithstanding the preceding provisions, in any event be limited to a sum not exceeding ten (10) times of the amount of our agreed fee(s) for this engagement or HK\$500,000, whichever the lower. In no event shall we be liable for consequential, special, incidental or punitive loss, damage or expense (including without limitation, loss of profits, opportunity cost, etc.), even if it has been advised of their possible existence. For the avoidance of doubt our liability shall never exceed the lower of the sum calculated in accordance with the preceding provisions and the sum provided for in this clause.

The Company are required to indemnify and hold us and our personnel harmless from any claims, liabilities, costs and expenses (including, without limitation, attorney's fees and the time of our personnel involved) brought against, paid or incurred by us at a time and in any way based on the information made available in connection with our engagement except to the extent that any such losses, expenses, damages or liabilities are ultimately determined to be the result of gross negligence, misconduct, willful default or fraud of our engagement team in conducting its work. This provision shall survive even after the termination of this engagement for any reason.

We enclose herewith a summary of values and our valuation certificate.

Yours faithfully,  
For and on behalf of  
**Crowe Horwath (HK) Consulting & Valuation Limited**  
**Leo MY Lo**  
*MRICS MHKIS RPS(GP)*  
*Director*

*Note: Mr Lo is a member of Royal Institution of Chartered Surveyors, member of the Hong Kong Institute of Surveyors and a Registered Professional Surveyor (General Practice). He has over 11 years' property valuation experience in the PRC and Hong Kong.*



## SUMMARY OF VALUES

Property Interests	Market value in existing state as at 31 March 2015
<b>Group I – Property interests held for sale in the PRC</b>	
1. The completed and held for sale portion of XiChengYiPin (西城逸品), Intersection of Xihuan Road and Qingnian Road, Yandu District, Yancheng City, Jiangsu Province, the PRC	RMB76,000,000
2. The completed and held for sale portion of XiChengFuDi (西城府邸), North of Daqing Road, East and west of Kaichuang Road, Yandu District, Yancheng City, Jiangsu Province, the PRC	RMB61,000,000
<b>Group I sub-total:</b>	<b><u>RMB137,000,000</u></b>
<b>Group II – Property interests under development in the PRC</b>	
3. The under development portion of XiChengFuDi (西城府邸), North of Daqing Road, East and west of Kaichuang Road, Yandu District, Yancheng City, Jiangsu Province, the PRC	RMB523,000,000
<b>Group II sub-total:</b>	<b><u>RMB523,000,000</u></b>
<b>Group III – Property interests held for future development in the PRC</b>	
4. A parcel of land at South of Jiuzonggou and east of Kaichuang Road, Yandu District, Yancheng City, Jiangsu Province, the PRC	RMB149,000,000
<b>Group III sub-total:</b>	<b><u>RMB149,000,000</u></b>
<b>Grand Total:</b>	<b><u>RMB809,000,000</u></b>

## VALUATION CERTIFICATE

## Group I – Property interests held for sale in the PRC

Property	Description and tenure	Occupancy Details	Market Value in existing state as at 31 March 2015
<p>1. The completed and held for sale portion of XiChengYiPin (西城逸品), Intersection of Xihuan Road and Qingnian Road, Yandu District, Yancheng City, Jiangsu Province, the PRC</p>	<p>XiChengYiPin (“the Development”) is a residential development which occupies a site area of approximately 165,604 sqm, comprising various high-rise residential apartment buildings, retail units, storage spaces, car parking spaces and various ancillary facilities with a total gross floor area (“GFA”) of approximately 373,678 sqm.</p>	<p>As at the Date of Valuation, the property was vacant.</p>	<p><b>RMB76,000,000</b> (RENMINBI SEVENTY-SIX MILLION)</p>
	<p>The subject property comprises the unsold portion of the Development, including residential units with a total GFA of approximately 2,001.78 sqm, retail units with a total GFA of approximately 4,995.16 sqm, storage area with a total GFA of approximately 4,879.53 sqm and underground car parking spaces with a total GFA of approximately 3,570.72 sqm.</p>		
	<p>The Development was completed by phases between 2009 and 2013.</p>		
	<p>The land use rights of the property site have been granted to Jiangsu Fullshare Property for a term expiring on 7 August 2077 and 24 April 2077 for residential use and 7 August 2047 for commercial use.</p>		

*Notes:*

- a) Pursuant to the following State-owned Land Use Rights Grant Contract and its supplemental agreement, the land use rights of the Development have been granted to Jiangsu Province Fullshare Property Development Limited (江蘇省豐盛房地產開發有限公司) by the Yancheng City Land Resources Bureau. The details are summarized as below:

Contract number:	Yan Shi Guo Rang (He) Zi (2006) No. 21
Contract date:	25 April 2007
Site Area:	165,604 sqm
Location:	South of Qingnian Road, West of Qianjin River
Usage (Term):	Residential (70 years)/Commercial (40 years)
Consideration:	RMB175,540,240
Plot ratio:	Not more than 1.8
Building density:	Not more than 20%

- b) Pursuant to a State-owned Land Use Rights Supplemental Contract, the maximum permitted plot ratio was adjusted from 1.8 to 1.9, with an additional consideration of RMB5,377,000.
- c) Pursuant to the following State-owned Land Use Right Certificates, the land use rights of the Development have been granted to Jiangsu Fullshare Property by the Yancheng City Land Resources Bureau. The details of the certificates are summarized as below:

State-owned Land Use Right Certificate Number	Issuance Date	Site Area (sqm)	Usage	Use Term Expiry Date
Yandu Guo Yong (2009) No. 012000053	16 January 2009	113,341	Commercial	7 August 2047
			Residential	7 August 2077
Yandu Guo Yong (2007) No. 012000871	30 August 2007	46,663	Commercial	7 August 2047
			Residential	7 August 2077
Yandu Guo Yong (2010) No. 012000110	13 January 2010	5,600	Commercial	24 April 2047
			Residential	24 April 2077
		165,604		

- c) The status of the major relevant approvals and certificates obtained regarding the property is summarized as below:

State-owned Land Use Rights Grant Contract	Yes
Stated-owned Land Use Rights Certificate	Yes
Construction Land Use Planning Permit	Yes
Construction Works Planning Permit	Yes
Construction Works Commencement Permit	Yes
Pre-sale Permit	Yes
Construction Works Completion Certification	Yes

- d) We have been provided with a legal opinion on the property prepared by the Company's PRC legal adviser, which contains, *inter alia*, the following information:
- i) Jiangsu Fullshare Property legally acquired the relevant land from public listing and sale;
  - ii) The Land Use Rights Grant Contract and its supplemental agreement and supplemental contract are valid and legally binding on both parties;
  - iii) There is no outstanding land premium and the Land use rights of the project has been legally granted to Jiangsu Fullshare Property;
  - iv) Jiangsu Fullshare Property has obtained all the necessary permits, approvals and certificates. As confirmed by Jiangsu Fullshare Property, such permits, approvals and certificates are not being revoked, amended or withdrawn. Therefore Jiangsu Fullshare Property has development right of the project;
  - v) Jiangsu Fullshare Property has obtained all the necessary pre-sale permits, and therefore the pre-sale is complied with the PRC laws; and
  - vi) As confirmed by Jiangsu Fullshare Property, the land use right of the Development is free from mortgage.

## VALUATION CERTIFICATE

Property	Description and tenure	Occupancy Details	Market Value in existing state as at 31 March 2015
<p>2. The completed and held for sale portion of XiChengFuDi (西城府邸), North of Daqing Road, East and west of Kaichuang Road, Yandu District, Yancheng City, Jiangsu Province, the PRC</p>	<p>XiChengFuDi (“the Development”) is an under construction residential development which occupies a site area of approximately 139,205 sqm.</p> <p>As advised by Jiangsu Fullshare Property, upon completion, the Development will comprise various high-rise residential apartment buildings, retail units, car parking spaces, a kindergarten and various ancillary facilities with a total gross floor area (“GFA”) of approximately 421,621 sqm.</p>	<p>As at the Date of Valuation, the property was vacant.</p>	<p><b>RMB61,000,000</b> (RENMINBI SIXTY-ONE MILLION)</p>
	<p>The property comprises the completed and unsold portion of the Development, including various blocks of high-rise residential apartment buildings (#1, #2, #4, #4-1, #7, #7-1), comprising residential area with a total GFA of approximately 6,746 sqm, retail area with a total GFA of approximately 716 sqm and underground car parking spaces area with a total GFA of approximately 2,436 sqm.</p>		
	<p>The property was completed between 2014 and 2015.</p>		
	<p>The land use rights of the property site have been granted to Jiangsu Fullshare Property for a term expiring on 13 December 2081 for residential use.</p>		

*Notes:*

- a) Pursuant to the following two State-owned Land Use Rights Grant Contracts, the land use rights of the Development have been granted to Jiangsu Province Fullshare Property Development Limited (江蘇省豐盛房地產開發有限公司) by the Yancheng City Land Resources Bureau. The details are summarized as below:

Contract number: 3209012011CR0019  
 Contract date: 17 January 2011  
 Site Area: 64,820 sqm  
 Location: North of Daqing Road, East of Kaichuang Road  
 Usage (Term): Residential (70 years)/Commercial (40 years)  
 Consideration: RMB164,577,980  
 Plot ratio: Not more than 2.5  
 Building density: Not more than 22%

Contract number: 3209012011CR0020  
 Contract date: 17 January 2011  
 Site Area: 74,385 sqm  
 Location: North of Daqing Road, West of Kaichuang Road  
 Usage (Term): Residential (70 years)/Commercial (40 years)  
 Consideration: RMB230,519,115  
 Plot ratio: Not more than 2.5  
 Building Density: Not more than 20%

- b) Pursuant to the following State-owned Land Use Right Certificates, the land use rights of the Development have been granted to Jiangsu Fullshare Property by the Yancheng government. The details of the certificates are summarized as below:

<b>State-owned Land Use Right Certificate Number</b>	<b>Issuance Date</b>	<b>Site Area (sqm)</b>	<b>Usage*</b>	<b>Use Term Expiry Date</b>
Yandu Guo Yong (2013) No. 012000337	20 March 2013	64,820	Residential	13 December 2081
Yandu Guo Yong (2015) No. 012000123	30 January 2015	74,385	Residential	25 December 2081
		139,205		

\* Remarks : commercial usage could be not more than 5%.

- c) The status of the major relevant approvals and certificates obtained regarding the property is summarized as below:

State-owned Land Use Rights Grant Contract	Yes
State-owned Land Use Rights Certificate	Yes
Construction Land Use Planning Permit	Yes
Construction Works Planning Permit	Yes
Construction Works Commencement Permit	Yes
Pre-sale Permit	Yes
Construction Works Completion Certification	Yes

- d) We have been provided with a legal opinion on the property prepared by the Company's PRC legal adviser, which contains, *inter alia*, the following information:

- i) Jiangsu Fullshare Property legally acquired the land of the Development from public listing and sale;
- ii) The Land Use Rights Grant Contracts are valid and legally binding on both parties;
- iii) There is no outstanding land premium and the Land use rights of the project has been legally granted to Jiangsu Fullshare Property;
- iv) Jiangsu Fullshare Property has obtained all the necessary permits, approvals and certificates. As confirmed by Jiangsu Fullshare Property, such permits, approvals and certificates are not being revoked, amended or withdrawn. Therefore Jiangsu Fullshare Property has development right of the project;
- v) Jiangsu Fullshare Property has obtained all the necessary pre-sale permits, and therefore the pre-sale is complied with the PRC laws; and
- vi) As confirmed by Jiangsu Fullshare Property, the land use right of the Development is free from mortgage.

## VALUATION CERTIFICATE

## Group II – Property interests under development in the PRC

Property	Description and tenure	Occupancy Details	Market Value in existing state as at 31 March 2015
<p>3. The under development portion of XiChengFuDi (西城府邸), North of Daqing Road, East and west of Kaichuang Road, Yandu District, Yancheng City, Jiangsu Province, the PRC</p>	<p>XiChengFuDi (“the Development”) is an under construction residential development which occupies a site area of approximately 139,205 sqm. As advised by Jiangsu Fullshare Property, upon completion, the Development will comprise various high-rise residential apartment buildings, retail units, car parking spaces, a kindergarten and various ancillary facilities with a total gross floor area (“GFA”) of approximately 421,621 sqm. As at the Date of Valuation, portion of the Development (blocks namely #1, #2, #4, #4-1, #7, #7-1) had been completed (refer to property no.2), which is excluded from property no.3.</p>	<p>As at the Date of Valuation, the property was under construction.</p>	<p><b>RMB523,000,000</b> (RENMINBI FIVE HUNDRED TWENTY-THREE MILLION))</p>
	<p>As advised by Jiangsu Fullshare Property, the subject portion is expected to be completed in 2017. Upon completion, the property will comprise various high-rise residential apartment buildings, retail units, car parking spaces, a kindergarten and various ancillary facilities with a total gross floor area (“GFA”) of approximately 369,276 sqm, including approximately 68,594 sqm of “fixed price” residential units.</p>		
	<p>The land use rights of the property site have been granted to Jiangsu Fullshare Property for a term expiring on 13 December 2081 for residential use.</p>		



*Notes:*

- a) Pursuant to the following two State-owned Land Use Rights Grant Contracts, the land use rights of the Development have been granted to Jiangsu Province Fullshare Property Development Limited (江蘇省豐盛房地產開發有限公司) by the Yancheng City Land Resources Bureau. The details are summarized as below:

Contract number: 3209012011CR0019  
 Contract date: 17 January 2011  
 Site Area: 64,820 sqm  
 Location: North of Daqing Road, East of Kaichuang Road  
 Usage (Term): Residential (70 years) /Commercial (40 years)  
 Consideration: RMB164,577,980  
 Plot ratio: Not more than 2.5  
 Building density: Not more than 22%

Contract number: 3209012011CR0020  
 Contract date: 17 January 2011  
 Site Area: 74,385 sqm  
 Location: North of Daqing Road, West of Kaichuang Road  
 Usage (Term): Residential (70 years) /Commercial (40 years)  
 Consideration: RMB230,519,115  
 Plot ratio: Not more than 2.5  
 Building density: Not more than 20%

- b) Pursuant to the following State-owned Land Use Right Certificates, the land use rights of the Development have been granted to Jiangsu Fullshare Property. The details of the certificates are summarized as below:

State-owned Land Use Right Certificate Number	Issuance Date	Site Area (sqm)	Usage*	Use Term Expiry Date
Yandu Guo Yong (2013) No. 012000337	20 March 2013	64,820	Residential	13 December 2081
Yandu Guo Yong (2015) No. 012000123	30 January 2015	74,385	Residential	25 December 2081
		139,205		

\* Remarks : commercial usage could be not more than 5%.

- c) We reserve our right to revise our valuation opinions if there is any change of the proposed development scheme provided to us. As at the Date of Valuation, we were not aware of any potential material change of the proposed development scheme which might affect our valuation opinions.
- d) As advised by Jiangsu Fullshare Property, the total incurred and outstanding construction cost of the Development as at the Date of Valuation were in the region RMB277,000,000 and RMB943,000,000 respectively.

- e) As advised by Jiangsu Fullshare Property, portions of the residential units with a GFA of approximately 24,848 sqm have been contracted to be sold for a total amount of about RMB137,000,000. This amount has been included in our valuation.
- f) We are of the opinion that the gross development value as at the Date of Valuation by assuming if the property had just been completed according to the development plan was in the sum of RMB2,020,000,000.
- g) The status of the major relevant approvals and certificates obtained regarding the property is summarized as below:

State-owned Land Use Rights Grant Contract	Yes
Stated-owned Land Use Rights Certificate	Yes
Construction Land Use Planning Permit	Yes
Construction Works Planning Permit	*Partially obtained
Construction Works Commencement Permit	*Partially obtained
Pre-sale Permit	*Partially obtained

\*Note: The property is the developing portion of the Development which includes a number of residential blocks planned to be built. As at the Date of Valuation, only partial of the blocks had obtained the permits and started construction works.

- h) We have been provided with a legal opinion on the property prepared by the Company's PRC legal adviser, which contains, *inter alia*, the following information:
- i) Jiangsu Fullshare Property legally acquired the land of the Development from public listing and sale;
- ii) The Land Use Rights Grant Contracts are valid and legally binding on both parties;
- iii) There is no outstanding land premium and the Land use rights of the Development is legally owned by Jiangsu Fullshare Property;
- iv) Jiangsu Fullshare Property has obtained all the necessary permits, approvals and certificates which are required to be obtained in accordance with the developing progress. As confirmed by Jiangsu Fullshare Property, such permits, approvals and certificates are not being revoked, amended or withdrawn. Therefore Jiangsu Fullshare Property has development right of the portion of the Development which has obtained all the necessary permits, approvals and certificates. Jiangsu Fullshare Property is responsible for obtaining the outstanding permits, approvals and certificates from the relevant government authorities, while under the Equity Transfer Agreement, Nanjing Fullshare Asset Management has no obligation to assist any such applications after the Disposal completed;
- v) Jiangsu Fullshare Property has obtained all the necessary pre-sale permits of portion of the developing property, including four blocks of buildings namely 3#, 6#, 15# and 16#, and therefore the pre-sale is complied with the PRC law; and
- vi) As confirmed by Jiangsu Fullshare Property, the land use right of the Development is free from mortgage.

## VALUATION CERTIFICATE

## Group III – Property interests held for future development in the PRC

Property	Description and tenure	Occupancy Details	Market Value in existing state as at 31 March 2015
4. A parcel of land at south of Jiuzonggou and east of Kaichuang Road, Yandu District, Yancheng City, Jiangsu Province, the PRC	<p>The property is a parcel of vacant land with a site area of approximately 89,123 sqm.</p> <p>As advised by Jiangsu Fullshare Property, upon completion, the property will be developed into a residential development comprising high-rise residential apartment buildings, retail area, kindergarten and various ancillary facilities with a total above ground gross floor area (“GFA”) of approximately 222,806 sqm, and car parking spaces with a total underground GFA of approximately 55,075 sqm.</p> <p>As advised by Jiangsu Fullshare Property, the property is expected to be completed in 2018.</p> <p>The land use rights of the property site have been granted to Jiangsu Fullshare Property for a term expiring on 7 October 2081 for residential use and 7 October 2051 for commercial use.</p>	As at the Date of Valuation, the property was a parcel of vacant land.	<b>RMB149,000,000</b> (RENMINBI ONE HUNDRED FORTY-NINE MILLION)

*Notes:*

- a) Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the property have been granted to Jiangsu Province Fullshare Property Development Limited (江蘇省豐盛房地產開發有限公司) by the Yancheng City Land Resources Bureau. The details are summarized as below:

Contract number:	3209012011CR0259
Contract date:	31 October 2010
Site Area:	89,123 sqm
Location:	South of Jiuzonggou, East of Kaichuang Road
Usage (Term):	Residential (70 years)/Commercial (40 years)
Consideration:	RMB133,684,500
Plot ratio:	Not more than 2.5
Building density:	Not more than 20%

- b) Pursuant to the following State-owned Land Use Right Certificate, the land use rights of the property have been granted to Jiangsu Fullshare Property. The details of the certificate are summarized as below:

State-owned Land Use		Site Area		Use Term Expiry
Right Certificate Number	Issuance Date	(sqm)	Usage	Date
Yandu Guo Yong (2011) No. 022007015	2 April 2014	89,123	Residential	7 October 2081

\* Remarks : commercial usage could be not more than 5%.

- c) The status of the major relevant approvals and certificates obtained is summarized as below:

State-owned Land Use Rights Grant Contract	Yes
Stated-owned Land Use Rights Certificate	Yes

- d) We have been provided with a legal opinion on the property prepared by the Company's PRC legal adviser, which contains, *inter alia*, the following information:
- Jiangsu Fullshare Property legally acquired the land from public listing and sale;
  - The Land Use Rights Grant Contracts are valid and legally binding on both parties;
  - There is no outstanding land premium and the Land use rights of the project has been legally granted to Jiangsu Fullshare Property;

- iv) According to the State-owned Land Use Rights Grant Contract, the construction work should commence before 31 December 2011 and completed before 31 December 2014. The work had yet commenced as at the Date of Valuation which was over three years behind the stipulated date. However, the delay was caused by the relevant government authority changed the town planning, and the Yancheng City Land Resources Bureau has approved the construction delay applications and the latest approved construction commencement date was April 2015. In addition, Jiangsu Fullshare Property had not received any notification of investigation of idle land, written confirmation of idle land or written decision on idle land fee as at the Date of Valuation. According to the current relevant regulations and policies, if Jiangsu Fullshare Property will not be able to commence the construction work within one year after the approved construction commencement date, i.e. by April 2016, it should submit a new construction commencement delay application to the Yancheng City Land Resources Bureau to confirm a new approved construction commencement date to avoid the property being considered as an idle land. Therefore, according to the relevant regulations and policies, the property should not be considered as an idle land. The land use rights should not be resumed and idle land penalty fee should not be charged. Under the Equity Transfer Agreement, Nanjing Fullshare Asset Management will not be liable to the Purchaser in case the property is considered as an idle land after the Disposal completed; and
- v) As confirmed by Jiangsu Fullshare Property, the land use right of the Development is free from mortgage or any other third party interests.

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company 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 (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; 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**”) contained in the Listing Rules, 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
Mr. Ji	The Company	Interest of controlled corporation (Note)	9,181,497,954	67.66%
Mr. Shi Zhiqiang	The Company	Beneficial owner	2,780,000	0.02%
Mr. Wang Bo	The Company	Beneficial owner	6,000,000	0.04%

*Note:* Magnolia Wealth is interested in 9,181,497,954 Shares. As Mr. Ji is the sole shareholder and the sole director of Magnolia Wealth, he is deemed to be interested in the same 9,181,497,954 Shares pursuant to the SFO.

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

Name of director	Name of associated corporation	Nature of interests	Number of shares held	Approximate percentage of the issued share capital of the associated corporation
Mr. Ji	Magnolia Wealth	Beneficial owner	1	100%

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

Save as disclosed above, as at the Latest Practicable Date, 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.

## SUBSTANTIAL SHAREHOLDERS

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

## (i) Long positions in the Shares or underlying Shares

Name of Shareholders	Nature of interests	Number of issued Shares held	Approximate percentage of the issued share capital of the Company
Magnolia Wealth	Beneficial owner (Note 1)	9,181,497,954	67.66%
Superb Colour Limited ("Superb Colour")	Beneficial owner (Note 2)	961,538,450	7.09%
Huarong (HK) International Holdings Limited (華融(香港)國際控股有限公司) ("Huarong (HK)")	Interest of controlled corporation (Note 2)	961,538,450	7.09%
Huarong Real Estate Co., Ltd. (華融置業有限責任公司) ("Huarong Real Estate")	Interest of controlled corporation (Note 2)	961,538,450	7.09%
China Huarong Asset Management Co., Ltd. (中國華融資產管理股份有限公司) ("China Huarong")	Interest of controlled corporation (Note 2)	961,538,450	7.09%
Ministry of Finance of the People's Republic of China (中華人民共和國財政部) (the "MFC")	Interest of controlled corporation (Note 2)	961,538,450	7.09%



*Notes:*

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

**(ii) Short positions in the Shares or underlying Shares**

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

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

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

### 3. COMPETING BUSINESS

As disclosed in the circular of the Company dated 28 October 2013 relating to, amongst other things, very substantial acquisition in relation to the acquisition of Nanjing Fullshare Asset Management 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 and the Company (the “**Non-Competition Undertaking**”), save for continuing their engagements in the Excluded Projects (as defined in the RTO Circular) and certain exceptions relating to their holding of and/or being interested in shares and other securities in any member of the Group and any other company listed on recognised stock exchange engaging in the restricted business (please refer to the RTO Circular for details) set out in the non-competition undertaking, the Controlling Shareholders will not be allowed to engage in any residential property (including villas) and mixed-use property (as defined in the section headed Glossary of Technical Terms of the RTO Circular) development business in the PRC and they will be only involved in the commercial property development business. As at the Latest Practicable Date, the Controlling Shareholders were engaging in the development of the three property projects located in Nanjing, Wenchang and Dujiangyan in the PRC and ten property projects located in Australia and Canada through the Excluded Companies (as defined in the RTO Circular). 南京豐盛大族科技股份有限公司 (Nanjing Fullshare Dazhu 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 FengShengShangHui 豐盛商匯, has become an indirect wholly-owned subsidiary of the Group since 19 January 2015. Save for the Non-Competition Undertaking, as at the Latest Practicable Date, the Controlling Shareholders did not give any other non-competition undertaking to the Company.

As disclosed in the announcements of the Company dated 22 March 2015 and 12 May 2015, an indirect wholly-owned subsidiary of the Company, as purchaser, entered into an equity transfer agreement (the “**May 2015 Agreement**”) dated 12 May 2015 to acquire, amongst other things, the entire equity interest of each of Nanjing Fullshare Energy Management Company Limited\* (南京豐盛能源管理有限公司), Shanghai Far-seeker Energy Technology Company Limited\* (上海法斯克能源科技有限公司) (“**Shanghai Far-seeker**”) and Anhui Green Building Company Limited\* (安徽省綠色建築有限公司), and 95% equity interest in Nanjing Far-seeker Energy Technology Company Limited\* (南京法斯克能源科技發展有限公司) (“**Nanjing Far-seeker**”) from Nanjing Fullshare Energy Science & Technology Company Limited\* (南京豐盛新能源科技股份有限公司) (“**Nanjing Fullshare Energy**”), as vendor. Nanjing Far-seeker is principally engaged in the business of investment in, construction management and operation management of energy station whereas the rest of the aforesaid target companies are principally engaged in the

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

Save as disclosed above, as at the Latest Practicable Date, 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.

#### 4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group which does not expire or is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

## 5. DIRECTORS' INTEREST IN ASSETS

On 22 September 2013, Nanjing Fullshare Asset Management entered into the property leasing agreement with Nanjing Fullshare Technology which was indirectly owned as to 79.74% by Mr. Ji immediately prior to the completion of the acquisition of the entire issued share capital of Nanjing Fullshare Technology by the Group, for a term of 3 years commencing on 1 January 2013 (unless at any time either party gives at least three months' prior written notice of termination to the other party and agreed by such party), pursuant to which Nanjing Fullshare Technology has agreed to lease a property located in Nanjing to Nanjing Fullshare Asset Management for office premises at an annual rental payable of RMB786,642. Nanjing Fullshare Technology has become an indirect wholly-owned subsidiary of the Company since 19 January 2015.

As at the Latest Practicable Date, save as disclosed above, none of the Directors had any direct or indirect interest in any asset which had been, since 31 December 2014 (being the date to which the latest published audited consolidated financial statements of the Company were made up) and up to the Latest Practicable Date, acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

## 6. DIRECTORS' INTEREST IN CONTRACT

There was no contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date in which any Director was materially interested and which was significant to the business of the Group.

## 7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

## 8. QUALIFICATION AND CONSENTS OF EXPERTS

The following is the qualification of the experts who have given opinion or advice contained in this circular:

<b>Name</b>	<b>Qualification</b>
Crowe Horwath (HK) Consulting & Valuation Limited (" <b>Crowe Horwath</b> ")	Independent property valuer
Shanghai AllBright Law Offices (" <b>AllBright</b> ")	PRC legal advisers

As at the Latest Practicable Date, each of Crowe Horwath and AllBright did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did they have any interest, direct or indirect, in any assets which have been, since 31 December 2014, being the date to which the latest published audited accounts of the Company were made up, acquired or disposed of by or leased to any member of the Group, or proposed to be acquired or disposed of by or leased to any member of the Group.

Each of Crowe Horwath and AllBright has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they appear respectively.

## 9. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business of the Group, were entered into by the Group within two years immediately preceding the issue of this circular and which are or may be material:

- (a) the acquisition agreement (the “**Fullshare Acquisition Agreement**”) dated 21 August 2012 entered into between Mighty Fame Limited (“**Mighty Fame**”), a wholly-owned subsidiary of the Company, and Nanjing Fullshare Holding in relation to the acquisition (the “**Fullshare Acquisition**”) of the entire equity interest of Nanjing Fullshare Asset Management at a consideration of HK\$500 million, and the acquisition supplemental agreements dated 27 February 2013, 28 June 2013, 18 August 2013 and 25 October 2013, respectively which extended the long stop date and completion date of the Fullshare Acquisition Agreement. Nanjing Fullshare Asset Management was an investment holding company incorporated in the PRC with two subsidiaries which focused primarily on developing and selling residential complex in Yancheng, Jiangsu Province and Chongqing in the PRC. Jiangsu Fullshare Property was one of the two subsidiaries of Nanjing Fullshare Asset Management;
- (b) the subscription agreement (the “**Subscription Agreement**”) dated 21 August 2012 entered into amongst the Company, Magnolia Wealth and Mr. Kan Che Kin, Billy Albert (“**Mr. Kan**”), a former Director, in relation to the subscription of convertible bonds (the “**Convertible Bonds**”) in the aggregate principal amount of HK\$500 million convertible into 10,000,000,000 conversion shares at HK\$0.05 per conversion share, the extension agreements dated 27 February 2013, 28 June 2013 and 25 October 2013, respectively which extended the long stop date of the Subscription Agreement and the supplemental agreement to the Subscription Agreement dated 25 October 2013 which added a non-waivable condition precedent of the grant of the whitewash waiver by the executive director of the Securities and Futures Commission to the Subscription Agreement. The fund raised was utilized to pay the consideration of HK\$500 million pursuant to the sale and purchase agreement dated 21 August 2012 entered into

between Mighty Fame Limited, a subsidiary of the Company, and Nanjing Fullshare Industrial Holding Group Co. Limited, a company controlled by Mr. Ji, in relation to the acquisition of the entire equity interest of Nanjing Fullshare Asset Management Limited;

- (c) the confirmation letter dated 21 August 2012 entered into amongst the Company, Mighty Fame, Nanjing Fullshare Holding, Magnolia Wealth and Mr. Kan in relation to the Fullshare Acquisition, the issue of 1,688,000,000 new Shares (the “**Offer Shares**”) at HK\$0.05 per Offer Share on the basis of 4 Offer Shares for every 1 Share held (the “**Open Offer**”), the principal amount of the Offer Shares were HK\$84,400,000. The Subscription Agreement and the application for a waiver in respect of the obligation of Magnolia Wealth to make a mandatory general offer to other Shareholders in respect of the Shares as a result of the underwriting of the Offer Shares pursuant to the underwriting agreement (the “**Underwriting Agreement**”) dated 25 October 2013 entered into between the Company and Magnolia Wealth in relation to the Open Offer and the conversion of new shares issuable upon exercise of the conversion rights under the Convertible Bonds pursuant to the Subscription Agreement pursuant to Note 1 on the dispensations from Rule 26 of the Hong Kong Code on Takeovers and Mergers. The fund raised was utilized (i) to settle the amounts of HK\$37 million due to the scheme creditors, whose claims against the Company were to be dealt with under the schemes of arrangement approved by the Grand Court of the Cayman Islands on 16 March 2009 and the High Court of Hong Kong on 6 May 2009 and who are not the Shareholders; (ii) to fully repay the Shareholder’s loan of approximately HK\$19.5 million as at 25 October 2013; and (iii) the remaining balance used as the general working capital of the Group;
- (d) the sale and purchase agreement dated 18 January 2013 entered into between the Company and Mr. Kan in relation to the disposal of Warderly Group Limited, pursuant to which Mr. Kan conditionally agreed to acquire and the Company conditionally agreed to sell the entire issued share capital of Warderly Group Limited, which was an investment holding company incorporated in the British Virgin Islands with 12 subsidiaries and had been dormant since April 2007, at a considerations of HK\$1;
- (e) the sale and purchase agreement dated 18 January 2013 entered into between the Company and Mr. Kan in relation to the disposal of Rich Honest (Europe) Limited, pursuant to which Mr. Kan conditionally agreed to acquire and the Company conditionally agreed to sell the entire issued share capital of Rich Honest (Europe) Limited, which was a Hong Kong-incorporated company principally engaged in trading of electrical products with one subsidiary and had been dormant since October 2011, at a considerations of HK\$1;

- (f) the sale and purchase agreement dated 18 January 2013 entered into between the Company and Mr. Kan in relation to the disposal of Olevia Home Appliances Limited, pursuant to which Mr. Kan conditionally agreed to acquire and the Company conditionally agreed to sell the entire issued share capital of Olevia Home Appliances Limited, which was a Hong Kong-incorporated company principally engaged in design and trading of household appliances with no subsidiary and had been dormant since April 2012, at a considerations of HK\$1;
- (g) the disposal agreement dated 5 April 2013 entered into between the Company and Homely Manufacturing Limited in respect of the disposal of 1 ordinary share of Up Stand Holdings Limited (“**Up Stand**”), which was wholly-owned by the Company, with par value of HK\$1, representing the entire issued share capital of Up Stand at a consideration of HK\$10,000,000, and the extension letters dated 28 June 2013 and 25 October 2013. Up Stand together with its wholly-owned subsidiary were engaged in manufacturing and sales of household appliances;
- (h) the non-competition undertaking dated 25 October 2013 entered into amongst Mr. Ji, Magnolia Wealth and the Company to minimize direct competition between Mr. Ji and Magnolia Wealth and the Group as enlarged by the acquisition of Nanjing Fullshare Asset Management and its subsidiaries (the “**2013 Enlarged Group**”);
- (i) the Underwriting Agreement dated 29 October 2013 and entered into between the Company and Magnolia Wealth in respect of the issue of 1,688,000,000 New Shares on the basis of 4 Offer Shares for every 1 Share held at a subscription price of HK\$0.05 per Offer Share. The fund raised was utilized (i) to settle the amounts of HK\$37 million due to the scheme creditors, whose claims against the Company were to be dealt with under the schemes of arrangement approved by the Grand Court of the Cayman Islands on 16 March 2009 and the High Court of Hong Kong on 6 May 2009 and who are not the Shareholders; (ii) to fully repay the Shareholder’s loan of approximately HK\$19.5 million as at 25 October 2013; and (iii) the remaining balance used as the general working capital of the Group;
- (j) the deed of indemnity dated 25 October 2013 entered into between Mr. Ji, Magnolia Wealth and the Company, according to which Mr. Ji and Magnolia Wealth will fully indemnify the Company against any loss or liability suffered by the Company and/or any other member of the Group as enlarged by the acquisition of Nanjing Fullshare Asset Management and its subsidiaries, resulting from or by reference to any non-compliance of the 2013 Enlarged Group in respect of the business of the 2013 Enlarged Group under the Fullshare Acquisition;



- (k) the equity transfer agreement dated 5 September 2014 entered into between 南京豐利股權投資企業(有限合夥)(Nanjing Fengli Equity Investment Enterprise (limited partnership\*)) (“**Nanjing Fengli**”), an indirectly wholly-owned subsidiary of the Company, Nanjing Tonglu Asset Management Limited (“**Nanjing Tonglu**”) and Nanjing Changfa Dushi Real Estate Development Co. Ltd. pursuant to which Nanjing Fengli conditionally agreed to buy and Nanjing Tonglu conditionally agreed to sell 80% equity interest in 南京天韻房地產開發有限公司(Nanjing Tianyun Real Estate Development Company Limited\*), which was a PRC-incorporated company principally engaged in property development, at a consideration of RMB500 million;
- (l) the placing agreement entered into between the Company and Guotai Junan Securities (Hong Kong) Limited (the “**Placing Agent**”), as the placing agent, dated 7 November 2014 pursuant to which the Company has appointed the Placing Agent, and the Placing Agent has conditionally agreed to procure, on a best effort basis, not less than six placees to subscribe for up to 680,000,000 new placing Shares at the placing price of HK\$0.45 per placing Share. The fund raised was utilized by a wholly-owned project company for investment purpose pursuant to the investment construction contract entered into with the People’s Government of Huayang Town, Jurong City, Jiangsu Province, China. Details of the investment were disclosed in the announcement of the Company dated 26 November 2014;
- (m) the equity transfer agreement dated 20 November 2014 entered into between Nanjing Fengli and Jiangsu Sufeng Investment Company Limited (“**Jiangsu Sufeng**”) and a supplemental agreement dated 12 December 2014 entered into between Nanjing Fengli, 江蘇省豐盛房地產開發有限公司 (Jiangsu Province Fullshare Property Development Limited\*) (“**Jiangsu Fullshare Property**”) and Jiangsu Sufeng, pursuant to which Nanjing Fengli and Jiangsu Fullshare Property conditionally agreed to buy 99% and 1%, respectively, and Jiangsu Sufeng conditionally agreed to sell 99% and 1%, respectively, equity interest in Fullshare Lujian at a consideration of RMB200 million. Fullshare Lujian was a PRC-incorporated company principally engaged in the business of housing engineering construction, architectural decoration and fitting out in the PRC and its PRC-incorporated wholly-owned subsidiary was principally engaged in construction engineering management consulting and engineering design services in the PRC;
- (n) The equity transfer agreement dated 8 December 2014 entered into amongst Nanjing Fengli and Jiangsu Fullshare Property, each being an indirect wholly-owned subsidiary of the Company, and Nanjing Fullshare Holding and 南京新盟資產管理有限公司 (Nanjing Xinmeng Asset Management Limited\*) (“**Xinmeng Asset**”), pursuant to which Nanjing Fengli and Jiangsu Fullshare Property have conditionally agreed to acquire from Nanjing Fullshare Holding and Xinmeng Asset 99% and 1% of the issued share capital in Nanjing Fullshare Technology, respectively, and Nanjing Fullshare Holding and Xinmeng Asset have conditionally agreed to sell 99% and 1% of the



issued share capital in Nanjing Fullshare Technology to Nanjing Fengli and Jiangsu Fullshare Property, respectively, at an aggregate consideration of RMB667,000,000. Nanjing Fullshare Technology was a PRC-incorporated company principally engaged in real estate development and sale;

- (o) the placing agreement entered into between the Company and the Placing Agent dated 17 December 2014 pursuant to which the Company has appointed the Placing Agent, and the Placing Agent has conditionally agreed to procure, on a best effort basis, not less than six places to subscribe for up to 1,000,000,000 new placing Shares at the placing price of HK\$0.48 per placing Share. The fund raised was utilized to pay part of the considerations pursuant to the equity transfer agreements set out in item (n) and (p) and as general working capital;
- (p) the equity transfer agreement dated 20 January 2015 entered into amongst Nanjing Fengli, Nanjing Fullshare Asset Management, each being an indirect wholly-owned subsidiary of the Company, and 南京慧谷企業管理諮詢有限公司 (Nanjing Huigu Enterprise Management Consulting Co., Ltd.\*) (“**Nanjing Huigu**”), pursuant to which Nanjing Fengli and Nanjing Fullshare Asset Management have conditionally agreed to acquire from Nanjing Huigu 99% and 1% equity interest in 江蘇安家利置業有限公司 (Jiangsu Anjiali Zhiye Company Limited\*) (“**Jiangsu Anjiali**”), respectively, and Nanjing Huigu has conditionally agreed to sell 99% and 1% equity interest in Jiangsu Anjiali to Nanjing Fengli and Nanjing Fullshare Asset Management, respectively, at an aggregate consideration of RMB438 million. Each of Jiangsu Anjiali and its two wholly-owned subsidiaries was a PRC-incorporated company principally engaged in property development;
- (q) the collateral agreement dated 13 February 2015 entered into between Nanjing Fullshare Technology and 中國華融資產管理股份有限公司浙江省分公司 (Zhejiang Province Branch of China Huarong Asset Management Co., Ltd\*) (“**Zhejiang Huarong**”) pursuant to which Nanjing Fullshare Technology agreed to pledge the land use right the land lot no. 14100169005 with a total site of 48,825.47 sq.m located at east to Ningdan Road, Yuhuatai District, Nanjing, Jiangsu Province, China as a collateral in respect of the debt in the principal amount of RMB519,074,500 due and owing to Zhejiang Huarong by 山東金百利房地產開發有限公司 (Shandong JinBaiLi Development Company Limited\*) and 中國正信(集團)有限公司 (China Zhengxin Group Company Limited\*), there is no consideration passing to or from any member of the Group;

- (r) the May 2015 Agreement dated 12 May 2015 entered into between Fullshare Lujian and Nanjing Fullshare Energy, pursuant to which Nanjing Fullshare Energy conditionally agreed to sell and Fullshare Lujian conditionally agreed to purchase the entire equity interest of Nanjing Fullshare Energy Management Company Limited\* (南京豐盛能源管理有限公司), Shanghai Far-seeker Energy Technology Company Limited\* (上海法斯克能源科技有限公司) and Anhui Green Building Company Limited\* (安徽省綠色建築有限公司), and 95% equity interest in Nanjing Far-seeker free from all encumbrances at an aggregate consideration of RMB28 million. Nanjing Far-seeker was principally engaged in the business of investment in, construction management and operation management of energy station whereas the rest of the aforesaid target companies are principally engaged in the businesses of green building consultancy, regional energy planning, green building technology research and development, EMC in hotel, hospital and office park;
- (s) the intellectual properties rights transfer agreement entered into amongst Fullshare Lujian, Nanjing Fullshare Energy and Hubei Fengshen Purifying Airconditioning Facilities Engineering Company Limited\* (湖北風神淨化空調設備工程有限公司) (“**Hubei Fengshen**”), pursuant to which Nanjing Fullshare Energy and Hubei Fengshen conditionally agreed to sell and Fullshare Lujian conditionally agreed to purchase the 14 patents and software copyrights held by Nanjing Fullshare Energy and/or Hubei Fengshen in relation to the green building construction free from all encumbrances at consideration of RMB1.7 million; and
- (t) the Equity Transfer Agreement; and
- (u) the Equity Pledge Agreement.

#### 10. MISCELLANEOUS

- (a) The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (b) The principal place of business of the Company in Hong Kong is at Unit 2526, Level 25, Tower One, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong.
- (c) The principal share registrar and transfer office of the Company is Royal Bank of Canada Trust Company (Cayman) Limited, 4th Floor, Royal Bank House, 24 Shedden Road, George Town, Grand Cayman KY1-1110, Cayman Islands.
- (d) The Hong Kong branch share registrar and transfer office of the Company is Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong.

- (e) The company secretary of the Company is Ms. Seto Ying. Ms. Seto is a fellow member of the Association of Chartered Certified Accountants, a member of the Hong Kong Institute of Certified Public Accountants and an associate member of the Hong Kong Institute of Chartered Secretaries.
- (f) The English text of this circular shall prevail over the Chinese text, in case of any inconsistency.

#### **11. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at Unit 2526, Level 25, Tower One, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong on weekdays (Saturdays and public holidays excepted) for 14 days from the date of this circular:

- (a) the memorandum of association and articles of association of the Company;
- (b) the annual reports of the Company for the financial year ended 30 April 2013 and for the two financial years ended 31 December 2013 and 31 December 2014;
- (c) the valuation report from Crowe Horwath, the text of which is set out on Appendix II to this circular;
- (d) the written consents of the experts as referred to in the section headed “Qualification and consents of experts” in this appendix;
- (e) the PRC legal opinion issued by AllBright in relation to, amongst other things, the property interests of Jiangsu Fullshare Property;
- (f) the material contracts referred to in the paragraph under the heading “Material Contracts” in this appendix;
- (g) a copy of the circular dated 10 February 2015 issued by the Company; and
- (h) this circular.