



**YIDA** 亿达

**億達中國控股有限公司**

**Yida China Holdings Limited**

(於開曼群島註冊成立的有限公司)

(incorporated in the Cayman Islands with limited liability)

股份代號 Stock Code : 3639.HK

**中國領先的商務園區運營商**

THE LEADING BUSINESS PARK OPERATOR IN CHINA

**2015** 中期報告  
Interim Report

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# CORPORATE OVERVIEW

Yida China Holdings Limited (the “Company”), together with its subsidiaries (collectively referred to as the “Group”), was established in 1988 with its headquarter in Dalian. It is the largest business park developer and the leading business park operator in the PRC. It is principally engaged in the development and operation of business parks, the development and sale of multi-functional and integrated residential communities, construction, decoration, landscaping, business park operation and management and property management services. The Company was successfully listed (the “Listing”) on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 27 June 2014.

With its strong integration ability in urban and industrial planning and design, the Group actively participated in urban planning and design with local governments and has gained trust from the governments. Its outstanding results and management ability in business park operation has attracted the residence of globally leading enterprises and established long-term and stable cooperation relationships with them. Its fully integrated service capabilities, with construction, landscaping, decoration and property management businesses guaranteed the services quality, the properties quality and pricing competitiveness of the Group. In addition, its management team with extensive experience and high recognition of corporate culture provides strong support to the future development of the Group.

Since 1998, the Group has led the development and operation of Dalian Software Park, Dalian BEST City Core Area Business Park, Wuhan First City, Yida Information Software Park, Dalian Ascendas IT Park and Dalian Tiandi. It also participated in the development and operation of Wuhan Optical Valley Software Park and Tianjin Binhai Service Outsourcing Industry Park through BOT (Build-Operate-Transfer) arrangements.

The Group also expanded its business in the operation and management of light-assets. As at 30 June 2015, business parks that were contracted for entrusted operation included phase I of Wuhan First City (武漢軟件新城一期), Shanghai Jiangqiao Business Park (上海江橋商務園), Suzhou High-speed Rail Cultural and Creative Park (蘇州高鐵文創園), Suzhou Wuzhong Shangjinwan Project (蘇州吳中尚金灣項目), Changsha Technology New Park Project (長沙科技新城項目) and Shenzhen Longgang Haikexing Project (深圳龍崗海科興項目).

With its extensive experience in the development and operation of business parks, the Group has established its unique business model, which lays a foundation for achieving the layout and development of the business park business across the country. The Group targets to expand into at least one new city every year in the next five years and is devoted to develop the best software parks and technology parks in China, meanwhile being dedicated to become the best business park operator in China.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Mr. Sun Yinhuan (*Chairman*)  
Mr. Sun Yinfeng (*Vice Chairman*)  
Mr. Sun Yansheng (*Chief Executive Officer*)  
Mr. Jiang Xiuwen  
Mr. Gao Wei  
Mr. Wen Hongyu

### Independent Non-executive Directors

Mr. Ip Yuk Chi Eddie  
Mr. Yip Wai Ming  
Mr. Guo Shaomu

## COMPANY SECRETARY

Mr. Law Siu Wo

## AUTHORIZED REPRESENTATIVES

Mr. Sun Yansheng  
Mr. Law Siu Wo

## BOARD COMMITTEES

### Audit Committee

Mr. Yip Wai Ming (*Chairman*)  
Mr. Ip Yuk Chi Eddie  
Mr. Guo Shaomu

### Remuneration Committee

Mr. Ip Yuk Chi Eddie (*Chairman*)  
Mr. Jiang Xiuwen  
Mr. Guo Shaomu

### Nomination Committee

Mr. Sun Yinhuan (*Chairman*)  
Mr. Ip Yuk Chi Eddie  
Mr. Yip Wai Ming

## REGISTERED OFFICE

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

## HEADQUARTER IN THE PEOPLE'S REPUBLIC OF CHINA ("PRC")

Block 4, Yida Plaza  
93 Northeast Road  
Shahekou District  
Dalian, Liaoning Province  
PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 2903-05  
29th Floor  
AIA Central  
1 Connaught Road  
Central  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## AUDITORS

Ernst & Young  
Certified Public Accountants

## **CORPORATE INFORMATION (CONTINUED)**

### **LEGAL ADVISORS**

*As to Hong Kong Law*  
Sidley Austin

*As to PRC Law*  
Commerce & Finance Law Offices

*As to Cayman Islands Law*  
Conyers Dill & Pearman (Cayman) Limited

### **COMPLIANCE ADVISOR**

Quam Capital Limited

### **PRINCIPAL BANKERS**

The Export-Import Bank of China  
Agricultural Bank of China Dalian Branch  
China Minsheng Bank Dalian Branch  
China CITIC Bank Dalian Branch  
China Construction Bank Dalian Branch  
Bank of China Dalian Branch

### **STOCK CODE**

3639

### **COMPANY'S WEBSITE**

[www.yidachina.com](http://www.yidachina.com)



# CHAIRMAN'S STATEMENT

Dear shareholders,

I am pleased to present the interim results of the Group for the six months ended 30 June 2015 (the “**Period**”).

Against the backdrop that the growth of China's economy has stabilized, though slowed down, in the first half of 2015, the government continued to strengthen its policies to promote stable economic growth. As a result, gross domestic product growth of 7% was recorded in both the first and second quarters of 2015. Affected by a multiple of factors such as costs, government policies, ancillary facilities and transportation, it has become a trend for tenants which primarily engage in sectors such as technological research and development, information technology, strategic emerging industries, financial back office services, headquarters economic activities, cultural and creative industries, and industrial design moving into business parks. The overall performance of the business park market was promising with significant demand while competition in respect of the quality would intensify as a result of continuous elevation of the overall standard of software and hardware of various business parks. In addition, driven by the government's call for “Mass Entrepreneurship and Mass Innovation” (“大眾創業·萬眾創新”), a multiple of policies that promote the development of small-to-medium-sized micro-enterprises were promulgated by both central and local government, which gave rise to new market opportunities for industrial real estate.

Seizing opportunities arising from the development of the industry, the Group adhered to its customer-oriented philosophy and utilized the Internet Plus (“互聯網+”) platform, and this further enhanced its development of the business parks and its capability of operation and management over the parks. As at 30 June 2015, the development and operation of all of the Group's business parks progressed smoothly. During the Period, Dalian Software Park continued to upgrade the industry profile of the park. On top of securing its existing tenants which engage in traditional industries, the park has expedited its pace in absorbing tenants engaging in various emerging industries including internet of things, big data industry and cloud computing. As at 30 June 2015, the occupancy rate of Dalian Software Park was approximately 95%, with 284 enterprises in total, including 48 Fortune Global 500 Enterprises. There were 54 enterprises settled in Dalian BEST City Core Area Business Park, including six Fortune Global 500 Enterprises such as Panasonic, Hitachi and GOODYEAR. In addition to the lease and operation of office buildings in the business parks, the Group has further extended its scope of operation to the sale of office properties. Taking full advantage of the expanding cluster effect of software industries in the region, Wuhan First City was dedicated to explore the enterprise resources over the upstream and downstream of the industry chain. The Group's core capability in the development of business parks through integration of sale and lease model gained significant market recognition.

Abiding by its pre-determined development strategies, the Group's expansion focused on cities such as Shanghai, Beijing, Shenzhen and Hangzhou. The Group also further expanded its business in the operation and management of light-assets. As at 30 June 2015, business parks that were contracted for entrusted operation included Phase I of Wuhan First City (武漢軟件新城一期), Shanghai Jiangqiao Business Park (上海江橋商務園), Suzhou High-speed Rail Cultural and Creative Park (蘇州高鐵文創園), Suzhou Wuzhong Shangjinwan Project (蘇州吳中尚金灣項目), Changsha Technology New Park Project (長沙科技新城項目) and Shenzhen Longgang Haikexing Project (深圳龍崗海科興項目). During the six months ended 30 June 2015, the total of areas under light-assets operation and management was increased by approximately 560,000 sq.m..

## CHAIRMAN'S STATEMENT (CONTINUED)

Looking forward to the second half of 2015, the central government will maintain its policy with a goal of “Stabilizing the Growth”, and promote the transformation of economic structure while accelerating the implementation of innovation-driven development strategies to advocate “Mass Entrepreneurship and Mass Innovation”. Industrial real estate has entered into a critical upgrading stage. Industrial transformation and business innovation will be the main themes for market development in the future.

In the second half of the year, the Group will continue to uphold its development tactic of “Combining Light with Heavy Assets Operation Together” and its development focus of “Enhancing Capability and Expanding Scale” so as to further elevate its capability of business solicitation, operation and property management in respect of office buildings, and enhance its recognition from the government, market and business partners. Securing the opportunities brought by the favourable government policies in respect of industrial innovation, the Group will follow the trend of innovation-driven industrial development and expand into various new driving forces of business growth with its experience in the operation and management of the business parks accumulated throughout years. The Group will strengthen its effort in expanding into various target cities such as Shanghai, Beijing, Shenzhen and Hangzhou. In addition, by prioritizing light asset business, promoting its solutions for the whole industry chain on the planning and construction of industry profile of business parks, business development and operation, property management and value-added services, and riding on its experience and strength in the upgrade of industry profile, the Group will drive the development and opening up of investment business, implement the business mode that involves high degree of city-industry integration, and strive to become the best business park operators in China.

On behalf of the board of directors (the “Directors”) of the Company, I hereby express the heartfelt thanks to all shareholders, partners, local governments and customers for their supports to the Group and also thankful to the joint efforts of our Directors, management team and all staff member.

**Yida China Holdings Limited**

**Sun Yinhuan**

*Chairman*

Dalian, Liaoning Province, PRC

20 August 2015

# MANAGEMENT DISCUSSION AND ANALYSIS



## BUSINESS REVIEW

### The Development and Operation of Business Parks

As at 30 June 2015, there were 19 residential property projects in business parks on sale, achieved contracted sales of approximately RMB1,979 million, representing 49% of the contracted sales amount of the Group for the Period (equity share amount of approximately RMB1,658 million), the gross floor area of contracted sales was 149,864 sq.m..

During the six months ended 30 June 2015, Dalian Software Park continued to upgrade the industry profile of the park and introduced tenants from emerging industries including two enterprises from mobile internet industries and two enterprises from internet of vehicle industry. Dalian Software Park completed the construction of a mechanical parking system for provision of more comprehensive ancillary services for its tenants. As at 30 June 2015, the occupancy rate of Dalian Software Park was approximately 95% and Dalian Software Park has 284 enterprise tenants which included 48 Fortune Global 500 Enterprises.

During the six months ended 30 June 2015, there were two well-known customers moved into Dalian BEST City Core Area Business Park with leased area increased by approximately 10,000 sq.m.. As at 30 June 2015, there were 54 enterprises tenants in the park, which included six Fortune Global 500 Enterprises such as Panasonic, Hitachi and GOODYEAR. The number of employees from settled enterprises amounted to 3,000. The occupancy rate of the park was approximately 68%.

During the six months ended 30 June 2015, Dalian Ascendas IT Park optimized the structure of its industry profile with the admission of various well-known customers such as Softbank and Transcosmo. The leased area was increased by approximately 5,000 sq.m.. As at 30 June 2015, the occupancy rate of the park was approximately 89%, with 61 enterprises tenants including 13 Fortune Global 500 Enterprises, representing approximately 55% of the leased area. The construction of Office Building No. 5 in the park progressed smoothly, and it is expected that the building will be completed by the end of 2015.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

As at 30 June 2015, the contracted and leased area of Yida Information Software Park was approximately 30,000 sq.m., representing approximately 45% of the leasable area. Settled enterprises are now carrying out design and renovation works. It is expected that the relevant renovation work and settlement will be completed by the end of 2015.

During the six months ended 30 June 2015, the office properties area subscribed and sold for Wuhan First City Phase II was approximately 24,000 sq.m., as at 30 June 2015, the sold area accumulatively was approximately 88,000 sq.m., approximately accounting for 56.5% of the total saleable area. The construction progressed smoothly and the construction of the main structures are expected to be completed by the end of this year. During the Period, the construction work of the office buildings of Phase III and the residential building project of phase I have already commenced.



### The Development of Multi-functional Integrated Residential Communities

As at 30 June 2015, the Group had a total of 12 multi-functional integrated residential community projects on sale, achieved contracted sales of approximately RMB2,098 million, representing 51% of the contracted sales amount of the Group for the Period (equity share amount of approximately RMB2,056 million), gross floor area of the contracted sales was 352,146 sq.m..

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)



### The Operation and Management of Business Parks

During the six months ended 30 June 2015, the Group continued to develop its light asset business.

The area under operation and management in Wuhan First City Phase I was 167,000 sq.m.. As at 30 June 2015, the occupancy rate was approximately 76.0%.

The area under operation and management of Shanghai Jiangqiao Business Park Project was 47,000 sq.m.. As at 30 June 2015, all of the area under operation and management has been delivered to the Group for operation and management, in respect of which the Group has started up specialized marketing. During the Period, the contracted and leased area was approximately 8,000 sq.m..

The area under operation and management of Suzhou High-speed Rail Cultural and Creative Park was 171,000 sq.m.. As at 30 June 2015, area delivered to the Group for operation and management was 83,000 sq.m.. During the Period, the area contracted and leased was increased by approximately 12,000 sq.m..

Suzhou Wuzhong Shangjinwan Project is expected to be completed and delivered to the Group for operation by late 2015. The area under operation and management was approximately 100,000 sq.m.. During the Period, the Group has carried out specialized brand promotion and potential client accumulation for the project.

During the six months ended 30 June 2015, the Group entered into an entrusted operation and management agreement in respect of Shenzhen Longgang Haikexing Project. The area under operation and management was approximately 71,000 sq.m.. As at 30 June 2015, area delivered to the Group for operation was approximately 70,000 sq.m..



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)



### Land Reserves

As at 30 June 2015, the total gross floor area (“GFA”) of the Group’s land reserves was approximately 10.56 million sq.m., and the attributable GFA of the Group’s land reserves was approximately 6.94 million sq.m..

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

The following table sets forth a breakdown of the Group's land reserves as at 30 June 2015:

Business Parks/Multi-functional, Integrated Residential Community Projects	Equity Held by the Group	Site Area (sq.m.)	GFA Completed Remaining Saleable/ Leasable* (sq.m.)	GFA Under Development (sq.m.)	GFA Held for Future Development (sq.m.)
<b>Business Parks</b>					
<b>Dalian Software Park</b>					
Office Building Area	100%	389,615	594,935	—	—
Residential Area	100%	237,313	282,551	86,753	—
Subtotal	100%	626,928	877,486	86,753	—
<b>Dalian Best City Core Area</b>					
<b>Business Park</b>					
Office Building Area	100%	417,800	59,230	222,810	557,530
Residential Area	100%	826,490	148,350	599,294	105,340
Subtotal	100%	1,244,290	207,580	822,104	662,870
<b>Wuhan First City</b>					
Office Building Area	50%	618,762	—	276,682	862,234
Residential Area	50%	246,847	—	—	372,077
Subtotal	50%	865,609	—	276,682	1,234,311
<b>Yida Information Software Park</b>					
Office Building Area	100%	162,291	—	151,286	118,798
Residential Area	59.5%–100%	675,410	438,239	173,085	172,188
Subtotal	59.5%–100%	837,701	438,239	324,371	290,986
<b>Dalian Ascendas IT Park</b>					
Office Building Area	50%	275,944	159,182	34,136	41,968
Subtotal	50%	275,944	159,182	34,136	41,968
<b>Dalian Tiandi</b>					
Office Building Area	30%	968,994	317,982	172,373	1,330,709
Residential Area	30%	579,298	90,076	243,718	767,776
Subtotal	30%	1,548,292	408,058	416,091	2,098,485
<b>Business Parks Subtotal</b>	30%–100%	5,398,764	2,090,545	1,960,137	4,328,620
<b>Multi-functional, Integrated Residential Community Projects</b>					
Dalian	25%–100%	1,111,905	520,731	202,607	1,272,443
Shenyang	100%	132,379	18,115	42,069	—
Chengdu	80%–100%	192,478	5,021	119,784	3,737
<b>Multi-functional, Integrated Residential Community Subtotal</b>	25%–100%	1,436,762	543,867	364,460	1,276,180
<b>Grand Total</b>	25%–100%	6,835,526	2,634,412	2,324,597	5,604,800

\* Including car parks and retail area for sale/lease

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### FINANCIAL REVIEW

#### Revenue

The sources of revenue of the Group primarily include (1) income from the sales of properties; (2) rental income; (3) income from providing business park operation and management services; (4) income from providing construction, decoration and landscaping services; (5) income from providing property management services.

For the six months ended 30 June 2015, the revenue of the Group was RMB2,753.7 million, representing a decrease of 14.5% from the corresponding period of last year, which was mainly attributable to the decrease in the revenue from the sales of properties for the Period.





## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

The following table sets forth a breakdown of the revenue for the Periods indicated:

	For the six months ended 30 June			
	2015		2014	
	Amount RMB'000 (Unaudited)	% of total	Amount RMB'000 (Unaudited)	% of total
Sales of properties	<b>2,158,084</b>	<b>78.3</b>	2,934,383	91.1
Rental income	<b>169,764</b>	<b>6.2</b>	143,338	4.4
Business park operation and management income	<b>13,368</b>	<b>0.5</b>	2,331	0.1
Construction, decoration and landscaping income	<b>275,920</b>	<b>10.0</b>	48,066	1.5
Property management income	<b>136,578</b>	<b>5.0</b>	93,060	2.9
<b>Total</b>	<b>2,753,714</b>	<b>100.0</b>	3,221,178	100.0

### (1) Sales of Properties

For the six months ended 30 June 2015, income of the Group derived from property sales amounted to RMB2,158.1 million, representing a decrease of 26.5% from the corresponding period of last year, mainly attributable to the relatively lower unit price of the resettlement project for which income was recognized during the Period.

### (2) Rental Income

The rental income of the Group for the six months ended 30 June 2015 was RMB169.8 million, representing an increase of 18.4% from the corresponding period of last year, mainly attributable to the increase in the unit rent for new tenants and renewed tenants during the Period.

### (3) Business Park Operation and Management Income

For the six months ended 30 June 2015, the income from business park operation and management services provided by the Group amounted to RMB13.4 million, representing an increase of 473.5% from the corresponding period of last year, mainly attributable to the continuous development of the business of entrusted operation and management during the Period and the increase in the number of projects and area under operation and management.

### (4) Construction, Decoration and Landscaping Income

For the six months ended 30 June 2015, the construction, decoration and landscaping income of the Group amounted to RMB275.9 million, representing an increase of 474.0% from the corresponding period of last year, mainly attributable to the increase in income as a result of the completion of various projects during the Period.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### (5) Property Management income

The property management services income increased by 46.8% to approximately RMB136.6 million for the six months ended 30 June 2015 from approximately RMB93.1 million in the corresponding period of last year, which was mainly attributable to the increase in the area of residential properties under management, the on-time payment of properties owners, and the increase in the property management fee of office buildings during the Period.

### Cost of Sales

The cost of sales of the Group for the six months ended 30 June 2015 was RMB1,914.1 million, representing a decrease of 10.5% from the corresponding period of last year, which was mainly attributable to the decrease in sales of properties during the Period, which led to the decrease in the cost of sales as compared to the corresponding period of last year.

### Gross Profit and Gross Profit Margin

The gross profit of the Group for the six months ended 30 June 2015 was RMB839.7 million, representing a decrease of 22.5% from the corresponding period of 2014. The gross profit margin decreased to 30.5% for the six months ended 30 June 2015 from 33.6% in the corresponding period of 2014, which was a result of relatively lower unit price of the resettlement project for which income was recognized in the Period. Apart from the sales of properties, the gross profit margin of other businesses either remained stable or elevated, among which, the gross profit margin of the lease of business parks increased to 73.1% from 65.8% in the corresponding period of 2014; the gross profit margin of construction, decoration and landscaping increased to 17.8% from 12.4% in the corresponding period of 2014; the gross profit margin of property management increased to 13.0% from 11.4% in the corresponding period of 2014; the gross profit margin of the operation and management of business parks maintained at a level of 78.0%, same as that of the corresponding period of 2014.

### Other Income and Gains

Other income and gains of the Group include interest income, dividend income, government subsidy and other income. For the six months ended 30 June 2015, other income and gains of the Group were RMB23.2 million, representing a decrease of approximately RMB44.5 million from the corresponding period of 2014, which was mainly attributable to the one-off gain on derecognition of Baiyun Hotel Project in the corresponding period of 2014.

### Sales and Marketing Costs

The sales and marketing costs of the Group increased by 3.6% to RMB99.0 million for the six months ended 30 June 2015 from RMB95.6 million in the corresponding period of 2014, which was mainly due to the increase in salaries of sales personnel.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Administrative Expenses

The administrative expenses of the Group decreased by 12.2% to RMB172.2 million for the six months ended 30 June 2015 from RMB196.1 million in the corresponding period of 2014, which was mainly attributable to the listing expense arising in the corresponding period of 2014.

### Other Expenses

Other expenses of the Group include charity donation, fair value loss of derivative financial instruments and other expenses. For the six months ended 30 June 2015, other expenses of the Group were RMB9.6 million, representing a decrease of RMB32.6 million compared with the corresponding period of 2014, which was mainly due to the decrease in losses of change in fair value of put and call options.

### Increase in Fair Value on Investment Properties

The fair value gains on investment properties of the Group decreased by 25.5% to RMB38.4 million for the six months ended 30 June 2015 from RMB51.5 million in the corresponding period of 2014, which was mainly due to the lack of newly commenced investment properties or investment properties under construction being transferred to completed investment properties during the Period. Fair value gains are mainly derived from the construction progress achieved for projects under construction during the Period.

### Finance Costs

The finance costs of the Group decreased by 24.9% to RMB72.9 million for the six months ended 30 June 2015 from RMB97.1 million in the corresponding period of 2014. The decrease was primarily attributable to the increase of finance costs being transferred to capitalized interests during the Period.

### Share of Profits and Losses of Joint Ventures

For the six months ended 30 June 2015, the Group's share of profits of joint ventures was RMB4.8 million, as compared to the losses of RMB20.1 million in the corresponding period of last year, which was mainly attributable to the increase of profits in Dalian Software Park Ascendas Development Company Limited.

### Share of Profits and Losses of Associates

Share of profits and losses of associates was primarily contributed by Richcoast Group Limited ("Richcoast Group") and Crown Speed Investments Limited. For the six months ended 30 June 2015, the Group's share of losses of associates was RMB23.8 million, representing a decrease in losses of approximately RMB0.8 million from the corresponding period of 2014, which was mainly attributable to the losses of Dalian Tiandi project which the Group held interest through Richcoast Group.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Income Tax Expenses

The income tax expenses of the Group includes corporate income tax, land appreciation tax and deferred tax. The income tax expenses of the Group decreased by 39.0% to RMB214.9 million for the six months ended 30 June 2015 from RMB352.3 million in the corresponding period of 2014, which was mainly due to the decrease in the profit for the Period.

### Profit for the Period

As a result of the foregoing, the pre-tax profit of the Group decreased by 27.3% to RMB528.5 million for the six months ended 30 June 2015 from RMB726.8 million in the corresponding period of 2014.

The net profit of the Group decreased by 16.3% to RMB313.6 million for the six months ended 30 June 2015 from RMB374.5 million in the corresponding period of 2014.

The net profit attributable to equity owners decreased by 16.2% to RMB313.8 million for the six months ended 30 June 2015 from RMB374.5 million in the corresponding period of 2014.

The core net profit attributable to equity owners (excluding effects of fair value gains on investment properties and derecognition of a property, net of tax) decreased to RMB284.8 million for the six months ended 30 June 2015 from core net profit of RMB292.5 million in the corresponding period of 2014.

## LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

### Cash Position

As at 30 June 2015, the Group had cash and bank balances (including restricted cash of approximately RMB2,616.7 million) of approximately RMB3,543.7 million (31 December 2014: cash and bank balances of approximately RMB2,799.1 million, including restricted cash of approximately RMB2,059.0 million).

### Debts

As at 30 June 2015, the Group had bank and other borrowings of approximately RMB17,440.5 million (31 December 2014: approximately RMB16,251.8 million), of which:

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### (1) By loan type

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Secured bank loans	12,409,006	11,371,125
Unsecured bank loans	220,000	406,000
Secured other borrowings	3,611,542	3,274,648
Unsecured other borrowings	1,200,000	1,200,000
	<b>17,440,548</b>	16,251,773

### (2) By maturity date

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Within one year or on demand	9,065,370	5,342,262
In the second year	5,182,480	5,243,786
In the third to fifth years	2,160,298	4,463,975
Beyond five years	1,032,400	1,201,750
	<b>17,440,548</b>	16,251,773

### Debt Ratio

The net debt ratio (net debt, including interest-bearing bank and other borrowings, less cash and cash equivalents and restricted cash divided by the total equity) of the Group was approximately 155% as at 30 June 2015, which slightly increased as compared to 150% as at 31 December 2014.

### Foreign Exchange Risks

The functional currency of the Group is RMB and most transactions were denominated in RMB. As at 30 June 2015, the Group had cash and bank balances (including restricted cash) of approximately RMB5.0 million and approximately RMB478.1 million denominated in Hong Kong dollars and United States dollars, respectively. All such amounts were exposed to foreign currency risks. The Group currently has no hedging policies, but the management monitors foreign exchange risks and will consider hedging significant foreign exchange risks when necessary.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Contingent Liabilities

The Group enters into arrangements with PRC commercial banks to provide mortgage facilities to its customers to purchase the Group's properties. In accordance with industry practice, the Group is required to provide guarantees to these banks in respect of mortgages provided to such customers. Guarantees for such mortgages are generally discharged at the earlier of: (i) registration of mortgage interest to the bank, or (ii) the settlement of mortgage loans between the mortgagee banks and the purchasers. As at 30 June 2015, the Group provided a guarantee of approximately RMB469.7 million to commercial banks in the PRC in respect of bank mortgages granted to the customers of the Group (31 December 2014: approximately RMB598.9 million).

In addition to guarantees the Group provided in respect of the mortgage facilities to its customers, as at 30 June 2015, the Group provided a guarantee in the amount of not exceeding RMB150.0 million (31 December 2014: RMB150.0 million) to the shareholders of Richcoast Group. This guarantee was provided in respect of the payment obligations of Richcoast Group to a joint venture and the joint venture partner in accordance with the Group's shareholding percentage.

As at 30 June 2015, the Group provided guarantees to the extent of RMB154.6 million (31 December 2014: RMB181.6 million) in respect of bank and other loans granted to the associates.

As at 30 June 2015, the Group also provided guarantees to the extent of RMB1,034.5 million (31 December 2014: RMB1,268.0 million) to banks in respect of bank borrowings granted to the joint ventures.

### EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2015, the Group had 2,825 full-time employees in the PRC and Hong Kong. The Group distributes remunerations to the staff based on the performances, working experiences of the employees and the current market salary level.

The Group regularly reviews the remuneration policy and plan and will make necessary adjustments to make it in line with the industry salary standards.

# DISCLOSURE OF INTERESTS

## DIRECTORS AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 30 June 2015, the interests and short positions of each of the Directors and the chief executives of the Company in the shares (the "Shares") and underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as contained in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("the Listing Rules") were as follows:

### (I) Interest in the Shares and underlying Shares

Name of Director	Capacity/Nature of interest	Number of shares held <sup>(1)</sup>	Approximate percentage in the company's issued share capital
Mr. Sun Yinhuan	Interest of a controlled corporation	1,611,400,000(L) <sup>(2)</sup>	62.36%
Mr. Sun Yinfeng	Interest of a controlled corporation	93,400,000(L) <sup>(3)</sup>	3.61%
Mr. Sun Yansheng	Interest of a controlled corporation	78,800,000(L) <sup>(4)</sup>	3.05%
Mr. Jiang Xiuwen	Interest of a controlled corporation	68,600,000(L) <sup>(5)</sup>	2.65%
Mr. Wen Hongyu	Interest of a controlled corporation	93,400,000(L) <sup>(6)</sup>	3.61%
Mr. Gao Wei	Interest of a controlled corporation	78,800,000(L) <sup>(7)</sup>	3.05%

Notes:

- (1) The letter "L" denotes the person's long position in such securities.
- (2) Mr. Sun Yinhuan beneficially owns the entire issued share capital of Right Won Management Limited. By virtue of the SFO, Mr. Sun Yinhuan is deemed to be interested in the Shares held by Right Won Management Limited.
- (3) Mr. Sun Yinfeng beneficially owns the entire issued share capital of Grand Create Limited, which in turn owns 42.10% of the issued share capital of Keen Harmony Limited. Keen Harmony Limited owns 3.61% of the issued share capital of the Company. By virtue of the SFO, Mr. Sun Yinfeng is deemed to be interested in the Shares held by Keen Harmony Limited.
- (4) Mr. Sun Yansheng beneficially owns the entire issued share capital of Everest Talent Limited, which in turn owns 37.50% of the issued share capital of Keen Sky Grace Limited. Keen Sky Grace Limited owns 3.05% of the issued share capital of the Company. By virtue of the SFO, Mr. Sun Yansheng is deemed to be interested in the Shares held by Keen Sky Grace Limited.
- (5) Mr. Jiang Xiuwen beneficially owns the entire issued share capital of Grace Excellence Limited and Everest Everlasting Limited, which together in turn own in total 45.56% of the issued share capital of Keen High Keen Source Limited. Keen High Keen Source Limited owns 2.65% of the issued share capital of the Company. By virtue of the SFO, Mr. Jiang Xiuwen is deemed to be interested in the Shares held by Keen High Keen Source Limited.
- (6) Mr. Wen Hongyu beneficially owns the entire issued share capital of Kind Source Limited, which in turn owns 31.58% of the issued share capital of Keen Harmony Limited. Keen Harmony Limited owns 3.61% of the issued share capital of the Company. By virtue of the SFO, Mr. Wen Hongyu is deemed to be interested in the Shares held by Keen Harmony Limited.
- (7) Mr. Gao Wei beneficially owns the entire issued share capital of Everest Excellence Limited, which in turn owns 25% of the issued share capital of Keen Sky Grace Limited. Keen Sky Grace Limited owns 3.05% of the issued share capital of the Company. By virtue of the SFO, Mr. Gao Wei is deemed to be interested in the Shares held by Keen Sky Grace Limited.

## DISCLOSURE OF INTERESTS (CONTINUED)

### (II) Interest in associated corporations of the Company

Name of Director	Name of associated corporation	Capacity	Number of shares <sup>(1)</sup>	Percentage of the issued share capital of that associated corporation held
Mr. Sun Yinhan	Right Won Management Limited	Beneficial owner	1(L)	100.00%
Mr. Sun Yinfeng	Keen Harmony Limited	Interest of a controlled corporation	4,000(L) <sup>(2)</sup>	42.10%
Mr. Sun Yansheng	Keen Sky Grace Limited	Interest of a controlled corporation	3,000(L) <sup>(3)</sup>	37.50%
Mr. Jiang Xiuwen	Keen High Keen Source Limited	Interest of a controlled corporation	3,180(L) <sup>(4)</sup>	45.56%
Mr. Wen Hongyu	Keen Harmony Limited	Interest of a controlled corporation	3,000(L) <sup>(5)</sup>	31.58%
Mr. Gao Wei	Keen Sky Grace Limited	Interest of a controlled corporation	2,000(L) <sup>(6)</sup>	25.00%

Notes:

- (1) The letter "L" denotes the person's long position in such securities.
- (2) These Shares are held by Grand Create Limited which is wholly owned by Mr. Sun Yinfeng.
- (3) These Shares are held by Everest Talent Limited which is wholly owned by Mr. Sun Yansheng.
- (4) These Shares comprise of 3,000 shares held by Grace Excellence Limited and 180 shares held by Everest Everlasting Limited, which are wholly owned by Mr. Jiang Xiuwen.
- (5) These Shares are held by Kind Source Limited which is wholly owned by Mr. Wen Hongyu.
- (6) These Shares are held by Everest Excellence Limited which is wholly owned by Mr. Gao Wei.

Save as disclosed above, as at 30 June 2015, none of the Directors and chief executive of the Company and/or their respective associated persons had any personal, family, corporate or other interests or short positions in any 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 (including interests and short positions which he/she was deemed or taken to have under such provisions of the SFO) or which were required to be entered into the register kept by the Company pursuant to section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## DISCLOSURE OF INTERESTS (CONTINUED)

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2015, so far as the Directors are aware, the following persons (other than the Directors and the chief executive of the Company) or institutions have interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept pursuant to section 336 of the SFO:

Name of shareholder	Capacity/Nature of interest	Number of shares held <sup>(1)</sup>	Approximate percentage in the Company's issued share capital
Right Won Management Limited <sup>(2)</sup>	Beneficial owner	1,611,400,000(L)	62.36%

Notes:

- (1) The letter "L" denotes the person's long position in such securities.
- (2) Right Won Management Limited is beneficially and wholly owned by Mr. Sun Yinhan. By virtue of the SFO, Mr. Sun Yinhan is deemed to be interested in the Shares held by Right Won Management Limited.

Save as disclosed above, as at 30 June 2015, there was no other person, other than a Director or chief executive of the Company, who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Directors recognise the importance of good corporate governance in the management of the Group. The Company has adopted the code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Listing Rules. During the Period, the Company has complied with all the code provisions set out in the CG Code.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set forth in Appendix 10 to the Listing Rules as the code for securities transactions by the Directors. The Company has made specific enquiry with each of the Directors and all Directors have confirmed that they complied with the Model Code throughout the Period.

## PURCHASES, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

## MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the six months ended 30 June 2015, the Group had no material acquisitions or disposals of subsidiaries and affiliated companies.

## SHARE OPTION SCHEME

The Company adopted a share option scheme on 1 June 2014. During the six months ended 30 June 2015, no share options have been granted under the share option scheme.

## AUDIT COMMITTEE

The Company has established an audit committee (the “Audit Committee”) on 1 June 2014 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C3 of the CG Code as set out in Appendix 14 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group, oversee the audit process and perform other duties and responsibilities as assigned by the Board.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Yip Wai Ming, Mr. Ip Yuk Chi Eddie and Mr. Guo Shaomu. Mr. Yip Wai Ming has been appointed as the chairman of the Audit Committee. In compliance with Rule 3.21 of the Listing Rules, the chairman of the Audit Committee has appropriate professional qualifications.



## **CORPORATE GOVERNANCE AND OTHER INFORMATION (CONTINUED)**

### **REMUNERATION COMMITTEE**

The Company has established a remuneration committee on 1 June 2014 with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph B1 of the CG Code as set out in Appendix 14 to the Listing Rules. The Remuneration Committee consists of three members, namely Mr. Jiang Xiuwen, an executive director, Mr. Ip Yuk Chi Eddie and Mr. Guo Shaomu, the independent non-executive Directors. Mr. Ip Yuk Chi Eddie has been appointed as the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee are to establish and review the policy and structure of the remuneration for the Directors and senior management and make recommendations on employee benefit arrangement.

### **NOMINATION COMMITTEE**

The Company has established a nomination committee on 1 June 2014 with written terms of reference in compliance with paragraph A5 of the CG Code as set out in Appendix 14 to the Listing Rules. The Nomination Committee consists of three members, namely Mr. Sun Yinhuan, an executive director, Mr. Ip Yuk Chi Eddie and Mr. Yip Wai Ming, the independent non-executive Directors. Mr. Sun Yinhuan has been appointed as the chairman of the Nomination Committee. The primary duties of the Nomination Committee are to make recommendations to the Board on the appointment and removal of directors of our Company.

### **USE OF PROCEEDS FROM GLOBAL OFFERING**

On 27 June 2014, the Shares of the Company were listed on the Main Board of the Stock Exchange. The net proceeds from the above global offering were approximately HK\$1,328.0 million (after deducting relevant listing expenses). During the period from the date of Listing to 30 June 2015, the Company has been using the net proceeds in proportion on the terms of that listed out in the section headed “Future Plans and Use of Proceeds — Use of Proceeds” in the prospectus issued by the Company on 17 June 2014.

### **REVIEW OF THE INTERIM RESULTS**

The unaudited interim financial information of the Group for the six months ended 30 June 2015 has been reviewed by the auditors of the Company, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410 — “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. This interim report of the Group for the six months ended 30 June 2015 has also been reviewed and passed by the Audit Committee.

### **INTERIM DIVIDEND**

The Board does not recommend any payment of interim dividend for the six months ended 30 June 2015.

# REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



**To the board of directors of Yida China Holdings Limited**  
(incorporated in the Cayman Islands with limited liability)

## INTRODUCTION

We have reviewed the interim financial information set out on pages 26 to 60 which comprises the condensed consolidated statement of financial position of Yida China Holdings Limited (the “Company”) and its subsidiaries as of 30 June 2015 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The directors of the Company are responsible for the preparation and presentation of interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION (CONTINUED)

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

#### **Ernst & Young**

*Certified Public Accountants*

22/F CITIC Tower

1 Tim Mei Avenue

Central

Hong Kong

20 August 2015

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2015

	Notes	Six months ended 30 June	
		2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
<b>REVENUE</b>	4	<b>2,753,714</b>	3,221,178
Cost of sales		<b>(1,914,063)</b>	(2,137,927)
Gross profit		<b>839,651</b>	1,083,251
Other income and gains	4	<b>23,244</b>	67,727
Selling and marketing expenses		<b>(99,038)</b>	(95,554)
Administrative expenses		<b>(172,200)</b>	(196,093)
Other expenses		<b>(9,631)</b>	(42,226)
Fair value gains on investment properties	11	<b>38,385</b>	51,516
Finance costs	6	<b>(72,906)</b>	(97,116)
Share of profits and losses of:			
Joint ventures		<b>4,836</b>	(20,121)
Associates		<b>(23,834)</b>	(24,593)
<b>PROFIT BEFORE TAX</b>	5	<b>528,507</b>	726,791
Income tax expenses	7	<b>(214,916)</b>	(352,312)
<b>PROFIT FOR THE PERIOD</b>		<b>313,591</b>	374,479
Attributable to:			
Owners of the parent		<b>313,779</b>	374,479
Non-controlling interests		<b>(188)</b>	—
		<b>313,591</b>	374,479
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic (RMB per share)	9	<b>12.14 cents</b>	18.60 cents
Diluted (RMB per share)	9	<b>12.14 cents</b>	18.60 cents

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2015

	Six months ended 30 June	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
<b>PROFIT FOR THE PERIOD</b>	<b>313,591</b>	374,479
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<b>124</b>	2,283
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>313,715</b>	376,762
Attributable to:		
Owners of the parent	<b>313,898</b>	376,781
Non-controlling interests	<b>(183)</b>	(19)
	<b>313,715</b>	376,762



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Notes	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	109,678	118,628
Investment properties	11	11,148,950	11,055,930
Investments in joint ventures		2,347,694	2,458,340
Investments in associates		749,229	697,185
Prepayments for acquisition of land		1,925,558	1,875,683
Land held for development for sale	12	840,255	840,255
Other receivables		38,000	38,000
Intangible assets		10,066	10,906
Available-for-sale investments		24,540	24,540
Deferred tax assets		117,891	159,543
Total non-current assets		17,311,861	17,279,010
<b>CURRENT ASSETS</b>			
Inventories		3,402	2,892
Land held for development for sale	12	491,117	269,551
Properties under development		6,981,485	8,253,644
Completed properties held for sale		2,659,184	2,050,867
Prepayments for acquisition of land		249,655	386,212
Gross amount due from contract customers		130,532	67,251
Trade receivables	13	761,926	384,629
Prepayments, deposits and other receivables		5,215,514	4,483,976
Prepaid corporate income tax		92,545	70,719
Prepaid land appreciation tax		101,787	108,586
Restricted cash		2,616,735	2,059,043
Cash and cash equivalents		926,965	740,071
Total current assets		20,230,847	18,877,441
<b>CURRENT LIABILITIES</b>			
Gross amount due to contract customers		510,642	382,076
Receipts in advance		4,503,934	3,629,206
Trade payables	14	2,163,780	2,311,255
Other payables and accruals		1,246,176	1,793,659
Derivative financial instruments	16	387,828	138,697
Interest-bearing bank and other borrowings	15	8,970,370	5,342,262
Tax payable		362,952	386,616
Provision for land appreciation tax		304,517	367,577
Total current liabilities		18,450,199	14,351,348

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2015

	Notes	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
<b>NET CURRENT ASSETS</b>		<b>1,780,648</b>	4,526,093
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>19,092,509</b>	21,805,103
<b>NON-CURRENT LIABILITIES</b>			
Derivative financial instruments	16	—	245,480
Interest-bearing bank and other borrowings	15	<b>8,470,178</b>	10,909,511
Other payables		<b>97,970</b>	122,570
Deferred tax liabilities		<b>1,562,164</b>	1,548,466
Total non-current liabilities		<b>10,130,312</b>	12,826,027
Net assets		<b>8,962,197</b>	8,979,076
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent</b>			
Issued capital	17	<b>159,418</b>	159,418
Reserves		<b>8,791,073</b>	8,477,175
Proposed dividend		—	341,084
<b>Non-controlling interests</b>		<b>8,950,491</b>	8,977,677
		<b>11,706</b>	1,399
Total equity		<b>8,962,197</b>	8,979,076

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2015

	Attributable to owners of the parent											
	Note	Issued capital	Share premium account	Statutory surplus reserve	Merger reserve	Share-based payment reserve	Exchange fluctuation reserve	Retained profits	Proposed final dividend	Total	Non-controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)												
At 1 January 2015		159,418	1,710,650	337,621	352,979	81,000	25,156	5,969,769	341,084	8,977,677	1,399	8,979,076
Profit for the period		–	–	–	–	–	–	313,779	–	313,779	(188)	313,591
Other comprehensive income for the period:												
Exchange differences on translation of foreign operations		–	–	–	–	–	119	–	–	119	5	124
Total comprehensive income/(loss) for the period		–	–	–	–	–	119	313,779	–	313,898	(183)	313,715
Final 2014 dividend declared		–	–	–	–	–	–	(341,084)	(341,084)	–	–	(341,084)
Capital contribution from non-controlling shareholder		–	–	–	–	–	–	–	–	–	10,490	10,490
At 30 June 2015		159,418	1,710,650*	337,621*	352,979*	81,000*	25,275*	6,283,548*	–	8,950,491	11,706	8,962,197

	Attributable to owners of the parent											
	Note	Issued capital	Share premium account	Statutory surplus reserve	Merger reserve	Share-based payment reserve	Exchange fluctuation reserve	Retained profits	Proposed final dividend	Total	Non-controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)												
At 1 January 2014		61	1,101,968	322,105	352,979	81,000	43,064	5,088,398	–	6,989,575	1,426	6,991,001
Profit for the period		–	–	–	–	–	–	374,479	–	374,479	–	374,479
Other comprehensive income for the period:												
Exchange differences on translation of foreign operations		–	–	–	–	–	2,302	–	–	2,302	(19)	2,283
Total comprehensive income/(loss) for the period		–	–	–	–	–	2,302	374,479	–	376,781	(19)	376,762
Capitalisation issue of shares		123,329	(123,329)	–	–	–	–	–	–	–	–	–
Issuance of new shares		35,783	1,103,915	–	–	–	–	–	–	1,139,698	–	1,139,698
Share issue expenses		–	(38,000)	–	–	–	–	–	–	(38,000)	–	(38,000)
At 30 June 2014		159,173	2,044,554	322,105	352,979	81,000	45,366	5,462,877	–	8,468,054	1,407	8,469,461

\* These reserve accounts comprise the consolidated reserves of RMB8,791,073,000 (31 December 2014: RMB8,477,175,000) in the consolidated statement of financial position as at 30 June 2015.

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2015

	Notes	Six months ended 30 June	
		2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>528,507</b>	726,791
Adjustments for:			
Depreciation	5	<b>11,450</b>	11,868
Amortisation of intangible assets	5	<b>840</b>	867
Loss on derecognition/disposal of items of property, plant and equipment		<b>2,829</b>	62
Fair value gains on investment properties	11	<b>(38,385)</b>	(51,516)
Fair value losses on derivative financial instruments	5	<b>3,651</b>	39,823
Share of profits and losses of joint ventures		<b>(4,836)</b>	20,121
Share of profits and losses of associates		<b>23,834</b>	24,593
Finance costs	6	<b>72,906</b>	97,116
Interest income	4	<b>(22,205)</b>	(6,231)
Dividend income		<b>(502)</b>	(669)
		<b>578,089</b>	862,825
(Increase)/decrease in inventories		<b>(510)</b>	3,024
Decrease/(increase) in properties under development		<b>1,030,179</b>	(1,828,413)
Decrease in completed properties held for sale		<b>291,456</b>	1,975,261
(Increase)/decrease in prepayments for acquisition of land		<b>(134,884)</b>	47,220
Increase in the gross amount due from contract customers		<b>(63,281)</b>	(8,282)
Increase in trade receivables		<b>(377,297)</b>	(493,005)
(Increase)/decrease in prepayments, deposits and other receivables		<b>(599,121)</b>	151,074
Decrease in trade payables		<b>(147,475)</b>	(240,110)
(Decrease)/increase in other payables and accruals		<b>(1,069,372)</b>	189,733
Increase/(decrease) in receipts in advance		<b>874,728</b>	(452,631)
Increase/(decrease) in the gross amount due to contract customers		<b>128,566</b>	(41,799)
Increase/(decrease) in deferred income		<b>9,043</b>	(3,983)
Cash generated from operations		<b>520,121</b>	160,914
Interest received		<b>22,205</b>	6,231
PRC corporate income tax paid		<b>(143,570)</b>	(175,311)
PRC land appreciation tax paid		<b>(134,400)</b>	(40,369)
Net cash from/(used in) operating activities		<b>264,356</b>	(48,535)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the six months ended 30 June 2015

	Notes	Six months ended 30 June	
		2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Repayment from/(advance to) joint ventures		56,343	(14,736)
Advance to associates		(89,328)	(1,423)
Decrease in amounts due from related parties		—	43
Purchases of items of property, plant and equipment	10	(5,329)	(9,090)
Purchases of intangible assets		—	(1,107)
Additions to investment properties	11	(54,635)	(39,633)
(Increase)/decrease in restricted cash		(557,692)	388,326
Dividends received from joint ventures		104,601	—
Dividends received		502	669
Receipt of government grants		—	211,540
Net cash (used in)/from investing activities		(545,538)	534,589
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Capital contributions from non-controlling interests		10,000	—
Issue of shares		—	1,139,698
Share issue expenses		—	(61,476)
Interest paid		(730,699)	(875,850)
Decrease in amounts due to related parties		—	(779,348)
New bank and other borrowings		3,895,773	3,598,901
Repayment of bank and other borrowings		(2,706,998)	(3,681,184)
Net cash from/(used in) financing activities		468,076	(659,259)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents at beginning of period		740,071	2,116,401
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		<b>926,965</b>	<b>1,943,196</b>

# NOTES TO INTERIM FINANCIAL INFORMATION

30 June 2015

## 1. CORPORATE INFORMATION

Yida China Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 26 November 2007 as an exempted company with limited liability under the Companies Law, Cap 22 of the Cayman Islands. The registered office of the Company’s located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. During the period, the Company and its subsidiaries (collectively referred to as the “Group”) were principally involved in property development, property investment, business park operation and management, property management, construction, decoration and landscaping in Dalian, Wuhan, Shenyang, Beijing, Shanghai, Shenzhen, Suzhou and Chengdu, the People’s Republic of China (the “PRC” or “Mainland China”).

In the opinion of the directors of the Company (the “Directors”), Mr. Sun Yinhan (a director of the Company) and Right Won Management Limited (“Right Won”) are considered as the controlling shareholders of the Company (the “Controlling Shareholder(s)”), and the holding company and the ultimate holding company of the Company is Right Won, which is incorporated in the British Virgin Islands.

## 2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants.

The accounting policies and basis of preparation adopted in the preparation of the interim condensed consolidated financial information are consistent with those of the Group as set out in the Group’s annual financial statements for the year ended 31 December 2014, except for the following new and revised Hong Kong Financial Reporting Standards (the “HKFRSs”) that have been adopted by the Group for the first time in 2015 for the current period’s interim financial information.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 2. BASIS OF PREPARATION (Continued)

Amendments to HKAS 19	<i>Defined Benefit Plans: Employee Contributions</i>
Annual Improvements 2010-2012 Cycle	Amendments to a number of HKFRSs
Annual Improvements 2011-2013 Cycle	Amendments to a number of HKFRSs

The adoption of the new and revised HKFRSs has had no significant financial effect on the interim financial information.

### 2.1 IMPACT OF ISSUED BUT NOT EFFECTIVE HKFRSs

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in the interim financial information.

HKFRS 9	<i>Financial Instruments</i> <sup>3</sup>
Amendments to HKFRS 10 HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>1</sup>
Amendments to HKFRS 10 HKFRS 12 and HKAS 28 (2011)	<i>Investment Entities: Applying the Consolidation Exception</i> <sup>1</sup>
Amendments to HKFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i> <sup>1</sup>
HKFRS 14	<i>Regulatory Deferral Accounts</i> <sup>4</sup>
HKFRS 15	<i>Revenue from Contracts with Customers</i> <sup>2</sup>
Amendments to HKAS 1	<i>Disclosure Initiative</i> <sup>1</sup>
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> <sup>1</sup>
Amendments to HKAS 27 (2011)	<i>Equity Method in Separate Financial Statements</i> <sup>1</sup>
<i>Annual Improvements 2012-2014 Cycle</i>	Amendments to a number of HKFRSs <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2016

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2017

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2018

<sup>4</sup> Effective for an entity that first adopts HKFRSs for its annual financial statements beginning on or after 1 January 2016 and therefore is not applicable to the Group



## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 2.1 IMPACT OF ISSUED BUT NOT EFFECTIVE HKFRSs (Continued)

The Group is in the process of making an assessment of the impact of the new and revised HKFRSs upon initial application, certain of which may be relevant to the Group's operation and may result in changes in the Group's accounting policies, and changes in presentation and measurement of certain items of the Group's interim financial information.

### 3. OPERATING SEGMENT INFORMATION

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

- (a) the property development segment engages in the development and sale of properties;
- (b) the property investment segment invests in properties for their rental income and/or for capital appreciation potential;
- (c) the business park operation and management segment engages in the provision of operation and management services to the business park projects owned by the local governments or other real estate developers;
- (d) the construction, decoration and landscaping segment engages in project construction, the provision of interior decoration work to property buyers and landscaping services to property projects;
- (e) the property management segment engages in the provision of management services to properties; and
- (f) the others segment comprises corporate income and expense items.

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

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

During the six months ended 30 June 2015 and 2014, no revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 3. OPERATING SEGMENT INFORMATION (Continued)

For the six-month period ended 30 June 2015

(Unaudited)	Property development RMB'000	Property investment RMB'000	Business park operation and management RMB'000	Construction, decoration and landscaping RMB'000	Property management RMB'000	Others RMB'000	Total RMB'000
<b>Segment revenue:</b>							
Sales to external customers	2,158,084	169,764	13,368	275,920	136,578	—	2,753,714
Segment results	446,079	137,114	(2,468)	13,676	7,494	(19,538)	582,357
<i>Reconciliation:</i>							
Interest income							22,205
Dividend income and unallocated gains							502
Corporate and other unallocated expenses							(3,651)
Finance costs							(72,906)
Profit before tax							528,507
Income tax expenses							(214,916)
Profit for the period							313,591

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 3. OPERATING SEGMENT INFORMATION (Continued)

For the six-month period ended 30 June 2014

(Unaudited)	Property development RMB'000	Property investment RMB'000	Business park operation and management RMB'000	Construction, decoration and landscaping RMB'000	Property management RMB'000	Others RMB'000	Total RMB'000
<b>Segment revenue:</b>							
Sales to external customers	2,934,383	143,338	2,331	48,066	93,060	—	3,221,178
Segment results	775,269	99,741	1,818	14,147	8,412	(42,557)	856,830
<i>Reconciliation:</i>							
Interest income							6,231
Dividend income and unallocated gains							669
Corporate and other unallocated expenses							(39,823)
Finance costs							(97,116)
Profit before tax							726,791
Income tax expenses							(352,312)
Profit for the period							374,479

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 4. REVENUE, OTHER INCOME AND GAINS

Revenue represents the gross proceeds, net of business tax, from the sale of properties; gross rental income, net of business tax, received and receivable from investment properties; property management income, net of business tax, received and receivable; an appropriate proportion of contract revenue from construction, decoration and landscaping; and business park operation and management service income, net of business tax, received and receivable from the provision of operation and management services to the business park projects during the period.

An analysis of the Group's revenue, other income and gains is as follows:

	For the six months ended 30 June	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
<b>Revenue</b>		
Sale of properties	<b>2,158,084</b>	2,934,383
Gross rental income	<b>169,764</b>	143,338
Business park operation and management service income	<b>13,368</b>	2,331
Construction, decoration and landscaping income	<b>275,920</b>	48,066
Property management income	<b>136,578</b>	93,060
	<b>2,753,714</b>	3,221,178
<b>Other income and gains</b>		
Bank interest income	<b>22,205</b>	6,231
Government subsidies	—	50
Gain on derecognition of a property	—	57,800
Others	<b>1,039</b>	3,646
	<b>23,244</b>	67,727

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	For the six months ended 30 June	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
Cost of properties sold	<b>1,519,830</b>	1,963,847
Cost of services provided	<b>348,606</b>	125,077
Depreciation	<b>11,450</b>	11,868
Amortisation of intangible assets	<b>840</b>	867
Fair value loss of derivative financial instruments	<b>3,651</b>	39,823
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	<b>45,627</b>	49,003

### 6. FINANCE COSTS

Group

	For the six months ended 30 June	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
Interest on bank loans and other loans	<b>730,699</b>	875,850
Less: Interest capitalised	<b>(657,793)</b>	(778,734)
	<b>72,906</b>	97,116

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 7. INCOME TAX EXPENSES

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2015 and 2014. The income tax for the subsidiaries operating in Mainland China is calculated at the applicable tax rates on the taxable profits for the six months ended 30 June 2015 and 2014.

An analysis of the income tax charges for the period is as follows:

	For the six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Group:		
Current:		
PRC corporate income tax	81,427	212,469
PRC land appreciation tax	78,139	158,188
	159,566	370,657
Deferred:		
Current period	55,350	(18,345)
Total tax charge for the period	214,916	352,312

### 8. INTERIM DIVIDENDS

The Company resolved not to declare an interim dividend for the six months ended 30 June 2015 (six months ended 30 June 2014: Nil).

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

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

The calculation of basic earnings per share for the period is based on the consolidated profit attributable to the equity holders of the parent of RMB313,779,000 (six months ended 30 June 2014: RMB374,479,000), and the weighted average number of ordinary shares of 2,583,970,000 (six months ended 30 June 2014: 2,012,817,680) in issue during the period.

The weighted average number of ordinary shares used to calculate the basic earnings per share amount for the six months ended 30 June 2014 included 1,000,000 issued ordinary shares of the Company upon completion of group reorganisation and 1,999,000,000 ordinary shares of the Company issued by capitalisation issue, on the assumption that these shares had been in issue throughout the six months ended 30 June 2014, and the weighted average number of 12,817,680 ordinary shares of the Company issued upon the completion of the listing of the Company in June 2014.

No adjustment has been made to the basic earnings per share presented for the six months ended 30 June 2015 and 2014 as the Group had no potentially diluted ordinary shares in issue during those periods.

### 10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2015, the Group acquired property, plant and equipment of RMB5,329,000 (six months ended 30 June 2014: RMB9,090,000).



## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 11. INVESTMENT PROPERTIES

Group

	Completed RMB'000	Under construction RMB'000	Total RMB'000
(Unaudited)			
At 1 January 2015	8,139,370	2,916,560	11,055,930
Additions	2,610	52,025	54,635
Net gains from fair value adjustments	4,410	33,975	38,385
At 30 June 2015	8,146,390	3,002,560	11,148,950

	Completed RMB'000	Under construction RMB'000	Total RMB'000
(Unaudited)			
At 1 January 2014	8,089,870	2,706,712	10,796,582
Transfer from completed properties held for sale	141,491	—	141,491
Additions	5,672	33,961	39,633
Disposal	(90,000)	(11,144)	(101,144)
Net gains from fair value adjustments	(30,163)	81,679	51,516
At 30 June 2014	8,116,870	2,811,208	10,928,078

At 30 June 2015, certain of the Group's investment properties of RMB9,995,257,000 (31 December 2014: RMB9,205,808,000) were pledged to banks to secure the loans granted to the Group (note 15).

The Group's completed investment properties are leased to third parties under operating leases, further summary details of which are included in note 20(a).

The Group's completed investment properties and investment properties under construction were revalued on 30 June 2015 by DTZ Debenham Tie Leung Limited, independent professionally qualified valuers.

For completed investment properties, valuations were based on the capitalisation of net rental income derived from the existing tenancies with due allowance for the reversionary income potential of the properties.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 11. INVESTMENT PROPERTIES (Continued)

For investment properties under construction which were stated at fair value at 30 June 2015, valuations were based on the residual approach, and have taken into account the expended construction costs and the costs that will be expended to complete the development to reflect the quality of the completed development on the basis that the properties will be developed and completed in accordance with the Group's latest development plan.

In the opinion of the Directors, for all investment properties that are measured at fair value, the current use of the properties is their highest and best use. Included in the Group's investment properties are certain investment properties under construction measured at fair value in the aggregate carrying amount of RMB1,181,000,000 (31 December 2014: RMB1,146,000,000) as at 30 June 2015, which are subject to restrictions on sale and transfer, but may be leased to tenants that are engaged in software research and development and outsourcing services.

Unrealised gains included in the consolidated statement of profit or loss for completed investment properties for the six months ended 30 June 2015 were RMB4,410,000 (the six months ended 30 June 2014: unrealised losses of RMB30,163,000).

Unrealised gains included in the consolidated statement of profit or loss for investment properties under construction for the six months ended 30 June 2015 were RMB33,975,000 (six months ended 30 June 2014: RMB81,679,000).

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 11. INVESTMENT PROPERTIES (Continued)

Description of valuation techniques used and key inputs to valuation on investment properties:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	
			30 June 2015	31 December 2014
Completed	Income approach (refer above)			
Retail		Estimated yearly rental value per square metre (RMB)	<b>413–2,019</b>	396–2,004
Office		Estimated yearly rental value per square metre (RMB)	<b>565–855</b>	563–851
Car park		Estimated yearly rental value per lot (RMB)	<b>3,564–5,012</b>	3,564–5,012
Retail		Capitalisation rate	<b>5%–6%</b>	5%–6%
Office		Capitalisation rate	<b>5%</b>	4.5%–5%
Car park		Capitalisation rate	<b>4%</b>	3.5%–4%
Under construction	Residual approach (refer above)			
Retail		Estimated yearly rental value per square metre (RMB)	<b>693</b>	665–672
Office		Estimated yearly rental value per square metre (RMB)	<b>665–747</b>	684–721
Car park		Estimated yearly rental value per lot (RMB)	<b>3,125–4,243</b>	3,125–4,248
Retail		Capitalisation rate	<b>5%</b>	5%
Office		Capitalisation rate	<b>5%</b>	5%
Car park		Capitalisation rate	<b>6%</b>	3.5%–4%
Retail, office and car park		Development profit	<b>1%–14%</b>	1.5%–20%

Significant increases/(decreases) in estimated yearly rental value per square metre in isolation would result in a significantly higher/(lower) fair value of the investment properties. Significant increases/(decreases) in the capitalisation rate in isolation would result in a significantly lower/(higher) fair value of the investment properties.

Generally, a change in the assumption made for the estimated yearly rental value per square meter is accompanied by a directionally similar change in the development profit and an opposite change in the capitalisation rate.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 12. LAND HELD FOR DEVELOPMENT FOR SALE

Group

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Carrying amount at end of period/year	<b>1,331,372</b>	1,109,806
Current portion	<b>(491,117)</b>	(269,551)
Non-current portion	<b>840,255</b>	840,255

As at 30 June 2015, certain of the Group's land held for development for sale of approximately RMB1,101,791,000 (31 December 2014: RMB840,255,000), were pledged to banks to secure the bank and other loans granted to the Group (note 15).

### 13. TRADE RECEIVABLES

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

Group

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Neither past due nor impaired		
Within 1 year	<b>351,972</b>	196,990
1 to 2 years	<b>281,833</b>	115,943
Over 2 years	<b>82,643</b>	18,794
Past due but not impaired		
1 to 2 years	<b>45,478</b>	52,902
	<b>761,926</b>	384,629

Trade receivables represent receivables for contract works. The payment terms of contract works receivables are stipulated in the relevant contracts.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 13. TRADE RECEIVABLES (Continued)

As at 30 June 2015, included in the Group's trade receivables are amounts due from a related company controlled by Yida Group Co., Ltd. ("Yida Group") of RMB21,276,000 (31 December 2014: RMB20,081,000), which are repayable on similar credit terms to those offered to the major customers of the Group. Yida Group is ultimately wholly owned by Mr. Sun Yinhuan.

As at 30 June 2015, included in the Group's trade receivables are amounts due from the Group's joint ventures of RMB165,464,000 (31 December 2014: RMB158,295,000), which are repayable on similar credit terms to those offered to the major customers of the Group.

As at 30 June 2015, included in the Group's trade receivables are amounts due from the Group's associates of RMB261,939,000 (31 December 2014: RMB349,571,000), which are repayable on similar credit terms to those offered to the major customers of the Group.

### 14. TRADE PAYABLES

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

#### Group

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Due within 1 year or on demand	1,168,833	1,289,887
Due within 1 to 2 years	994,947	1,021,368
	<b>2,163,780</b>	2,311,255

The trade payables are non-interest-bearing and unsecured.

As at 30 June 2015, included in the Group's trade payables are amounts due to the Group's joint venture of RMB64,144,000 (31 December 2014: RMB76,405,000), which are unsecured, interest-free and repayable within 1 to 2 years.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 15. INTEREST-BEARING BANK AND OTHER BORROWINGS

Group

	30 June 2015 (Unaudited)			31 December 2014 (Audited)		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
<b>Current</b>						
Bank loans — secured	2.00–14.00	2015–2016	6,609,058	6.09–10.50	2015	4,261,214
Bank loans — unsecured	6.00–7.29	2015–2016	170,000	6.00–7.29	2015	306,000
Other loans — secured	6.65–11.50	2015–2016	2,191,312	6.40–11.50	2015	775,048
			8,970,370			5,342,262
<b>Non-current</b>						
Bank loans — secured	4.95–9.83	2017–2022	5,799,948	6.15–14.00	2016–2022	7,109,911
Bank loans — unsecured	6.15	2017	50,000	6.15	2017	100,000
Other loans — secured	6.50–12.00	2017–2022	1,420,230	6.40–12.00	2016–2022	2,499,600
Other loans — unsecured	11.80	2017	1,200,000	11.80	2017	1,200,000
			8,470,178			10,909,511
			17,440,548			16,251,773

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 15. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Analysed into:		
Bank loans repayable:		
Within one year or on demand	6,779,058	4,567,214
In the second year	3,277,250	3,524,186
In the third to fifth years, inclusive	1,540,298	2,503,975
Beyond five years	1,032,400	1,181,750
	<b>12,629,006</b>	11,777,125
Other loans repayable:		
Within one year or on demand	2,191,312	775,048
In the second year	1,920,230	1,719,600
In the third to fifth years, inclusive	700,000	1,960,000
Beyond five years	—	20,000
	<b>4,811,542</b>	4,474,648
	<b>17,440,548</b>	16,251,773



## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 15. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

- (a) Certain of the Group's bank and other loans are secured or guaranteed by:
- (i) mortgages over the Group's properties under development with an aggregate carrying value at 30 June 2015 of approximately RMB5,147,606,000 (31 December 2014: RMB5,828,943,000);
  - (ii) pledges of the Group's investment properties with an aggregate carrying value at 30 June 2015 of approximately RMB9,995,257,000 (31 December 2014: RMB9,205,808,000);
  - (iii) pledges of the Group's land held for development for sale with an aggregate carrying value at 30 June 2015 of approximately RMB1,101,791,000 (31 December 2014: RMB840,255,000);
  - (iv) pledges of the Group's completed properties held for sale with an aggregate carrying value at 30 June 2015 of approximately RMB1,053,905,000 (31 December 2014: RMB522,582,000);
  - (v) pledges of a building of the Group with a carrying value at 30 June 2015 of nil (31 December 2014: RMB66,960,000);
  - (vi) pledges of the Group's prepayment for acquisition of land with a carrying value at 30 June 2015 of approximately RMB249,656,000 (31 December 2014: RMB249,656,000);
  - (vii) corporate guarantees executed by certain subsidiaries of the Group to the extent of RMB12,131,190,000 as at 30 June 2015 (31 December 2014: RMB10,595,103,000);
  - (viii) pledge of certain equity interests of the subsidiaries of the Company as at the end of the reporting period; and
  - (ix) pledges of certain of the Group's time deposits with an aggregate carrying value at of approximately RMB2,087,776,000 as at 30 June 2015 (31 December 2014: RMB1,687,943,000).
- (b) Other than certain bank and other borrowings with a carrying amount of RMB989,590,000 (31 December 2014: RMB455,048,000) denominated in United States dollars as at 30 June 2015, all bank and other borrowings of the Group are denominated in RMB as at 30 June 2015.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 16. DERIVATIVE FINANCIAL INSTRUMENTS

Group

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
<b>Liabilities</b>		
Current		
Call and put options, net	<b>387,828</b>	138,697
Non-current		
Call and put options, net	—	245,480
	<b>387,828</b>	384,177

In April 2010 and November 2011, the Group granted a total of four put options to certain joint venture partners to sell their interests in certain joint ventures to the Group, which can be exercised at any time after the expiry of the first 54 months after the date of initial investments or after the pre-sale of a certain percentage of saleable construction area and a certain percentage of saleable construction area is delivered, whichever is earlier, at the option price determined based on the adjusted net asset value of the joint ventures.

In December 2013, a supplemental agreement was signed between certain subsidiaries of the Group and the joint venture partners and two of the put options were modified. Besides, a new put option was granted by the Group to the joint venture partners and, after an agreed amount has been paid by the Group, a new call option will be granted by the joint venture partners to the Group which can be exercised at any time within the first 54 months after the date of initial investments.

The new call option and put options are correlated and offset against each other and the net balance is recorded as derivative liabilities in the consolidated statement of financial position and carried at fair value with reference to a valuation performed by an independent professional valuer using the Binomial Model.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 16. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

Description of valuation techniques used and key inputs to valuation on put options:

Valuation technique	Significant unobservable inputs	Range/weighted average	
		30 June 2015 (Unaudited)	31 December 2014 (Audited)
Binomial model	Dividend yield	0%	0%
	Net asset value volatility	23.14%–25.43%	19.00%–20.84%
	Option life (Year(s))	0.5–1.5	0.5–2.0
	Risk-free interest rate	1.79%–2.02%	2.97%–3.36%
	Stock volatility of comparable companies	34.60%–42.56%	26.25%–29.90%

Generally, a change in the assumption made for the net asset value volatility is accompanied by a directionally similar change in the risk free-interest rate and an opposite change in the dividend yield, the option life and stock volatility.

The following table demonstrates the sensitivity of the Group's profit before tax at the end of the six months ended 30 June 2015 and 2014 to a reasonably possible change in combined net effect of the dividend yield, net asset value volatility, risk-free interest rate and stock volatility of comparable companies (collectively the "Combined factors").

	Increase/ (decrease) in basis points	Combined net effect on profit before tax RMB'000
<b>30 June 2015 (Unaudited)</b>		
Combined factors	100	(4,163)
Combined factors	(100)	5,366
<b>30 June 2014 (Unaudited)</b>		
Combined factors	100	(4,039)
Combined factors	(100)	6,171

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 17. ISSUED CAPITAL

	Notes	30 June 2015 (Unaudited) RMB'000	31 December 2014 (Audited) RMB'000
Authorised: 50,000,000,000 shares of US\$0.01 each		<b>3,124,300</b>	3,124,300
Issued and fully paid: 2,583,970,000 ordinary shares of US\$0.01 each		<b>159,418</b>	159,418

There were no transactions involving the Company's issued ordinary share capital during the current period.

### 18. FINANCIAL GUARANTEES

The Group had the following financial guarantees as at the end of the reporting period:

- (a) As at 30 June 2015, the Group's maximum obligation in respect of the mortgage facilities provided to certain purchasers of the Group's properties amounted to RMB469,667,000 (31 December 2014: RMB598,949,000).

At the end of the reporting period, the Group provided guarantees in respect of the mortgage facilities granted by certain banks to certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default on mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalties owed by the defaulted purchasers to the banks.

Under the above arrangement, the related properties were pledged to the banks as security on the mortgage loans. Upon default on mortgage payments by these purchasers, the banks are entitled to take over the legal titles and can realise the pledged properties through open auction. The Group is obliged to repay the banks for the shortfall if the proceeds from the auction of the properties cannot cover the outstanding mortgage principals together with the accrued interest and penalties.

The Group's guarantee period starts from the dates of grant of the relevant mortgage loans, and ends upon the earlier of (i) the issuance of real estate ownership certificates to the purchasers, which will generally be available within one to two years after the purchasers take possession of the relevant properties; and (ii) the settlement of mortgage loans between the mortgage banks and the purchasers.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 18. FINANCIAL GUARANTEES (Continued)

- (b) As at 30 June 2015, the Group provided a guarantee for an amount not exceeding RMB150,000,000 (31 December 2014: RMB150,000,000) in respect of the payment obligations of a subsidiary of Richcoast Group Limited ("Richcoast Group") (an associate of the Group) to a joint venture (formed between Richcoast Group and an independent third party) and the joint venture partner.
- (c) The Group provided guarantees to the extent of RMB154,600,000 (31 December 2014: RMB181,600,000) as at 30 June 2015 in respect of the bank and other loans granted to the associates.
- (d) The Group provided guarantees to the extent of RMB1,034,500,000 as at 30 June 2015 (31 December 2014: RMB1,268,000,000), to banks in respect of bank and other loans granted to the joint ventures.

In determining whether financial liabilities should be recognised in respect of the Group's financial guarantee contracts, the Directors exercise judgement in the evaluation of the probability of resources outflow that will be required and the assessment of whether a reliable estimate can be made of the amount of the obligation.

In the opinion of the Directors, the fair values of the financial guarantee contracts of the Group are insignificant at initial recognition and the Directors consider that the possibility of the default of the parties involved is remote, and accordingly, no value has been recognised in the interim financial information.

### 19. PLEDGE OF ASSETS

Details of the Group's bank and other loans which are secured by the assets of the Group, are included in note 15 to the interim financial information.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 20. OPERATING LEASE ARRANGEMENTS

#### (a) As lessor

The Group leases its investment properties (note 11) under operating lease arrangements, with leases negotiated for terms ranging from one to twenty years. The terms of the leases generally also require the tenants to pay security deposits and to provide for periodic rent adjustments according to the then prevailing market conditions. Certain contingent rent receivables are determined based on the turnover of the lessees.

At the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Within one year	252,580	245,826
In the second to fifth years, inclusive	444,273	406,692
After five years	162,767	89,037
	<b>859,620</b>	741,555

#### (b) As lessee

The Group leases certain of the office properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three years.

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Within one year	11,940	6,600
In the second to fifth years, inclusive	2,687	3,177
	<b>14,627</b>	9,777



## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 21. COMMITMENTS

In addition to the operating lease commitments detailed in note 20(b) above, the Group had the following capital commitments at the end of the reporting period:

	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
Contracted, but not provided for: Capital expenditure for investment properties under construction and properties under development in Mainland China	<b>3,584,406</b>	2,395,287

### 22. MAJOR NON-CASH TRANSACTION

During the six months ended 30 June 2014, the Group entered into supplemental agreements with certain banks and Yida Group to change the borrowing entity under certain existing financing arrangements in an aggregate amount of RMB3,060 million from Yida Group to entities within the Group.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 23. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances detailed elsewhere in the interim financial information, the Group had the following material transactions with related parties during the period:

	Notes	For the six months ended 30 June	
		2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
Service fees from joint ventures	(i)	<b>78,490</b>	47,217
Service fees from associates	(i)	<b>155,105</b>	47,670
Service fees from companies controlled by the Controlling Shareholder	(i)	<b>118</b>	2,071
Service fees paid to joint venture	(i)	<b>6,157</b>	3,303
Rental income from joint ventures	(ii)	<b>322</b>	—
Rental income from companies controlled by the Controlling Shareholder	(ii)	<b>934</b>	953
Rental expense to a company controlled by the Controlling Shareholder	(ii)	<b>708</b>	567
Consulting fees from joint ventures	(iii)	<b>9,668</b>	6,910
Interest income from an associate	(iv)	<b>3,422</b>	—

Notes:

- (i) The service fees were related to the construction services, landscaping services and property management services provided by the Group at rates determined in accordance with the terms and conditions set out in the contracts entered into between the related parties.
- (ii) The rentals were determined at rates mutually agreed by the related parties.
- (iii) The consulting fees were charged for the project design, implementation and management services provided by the Group at rates determined in accordance with the terms and conditions set out in contracts entered into between the related parties.
- (iv) The interest income was related to an advance made to an associate. The interest rate was mutually agreed with the associate.

In the opinion of the Directors, the above transactions were entered into in the ordinary course of business of the Group.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 23. RELATED PARTY TRANSACTIONS (Continued)

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

In the opinion of the Directors, the Directors represent the key management personnel of the Group. Compensation of key management personnel of the Group, including directors' remuneration, is as follows:

	For the six months ended 30 June	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
Short term employee benefits	2,459	2,115
Post-employment benefits	80	78
	<b>2,539</b>	2,193

- (c) As at 30 June 2015, included in the Group's other receivables are amounts due from joint ventures of RMB473,708,000 (31 December 2014: RMB344,073,000), which are unsecured, interest-free and repayable on demand.

As at 30 June 2015, included in the Group's other receivables are amounts due from a joint venture of RMB43,000,000 (31 December 2014: RMB38,000,000), which is unsecured, bears interest at 5.1%-5.5% (31 December 2014: 6.4%) per annum and is repayable within one to three years.

As at 30 June 2015, included in the Group's other receivables are amounts due from associates of RMB128,329,000 (31 December 2014: RMB104,484,000), which are unsecured, interest-free and repayable on demand.

- (d) As at 30 June 2015, included in the Group's other payables are amounts due to joint ventures of RMB337,325,000 (31 December 2014: RMB163,853,000), which are unsecured, interest-free and repayable on demand.

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 24. FAIR VALUE AND FAIR VALUE HIERARCHY

At 30 June 2015 (Unaudited)

	Carrying amounts RMB'000	Fair values RMB'000
<b>Financial assets</b>		
Loans to joint ventures	87,607	87,607
Loans to associates	140,173	140,173
	<b>227,780</b>	<b>227,780</b>
<b>Financial liabilities</b>		
Derivative financial instruments (note 16)	387,828	387,828
Interest-bearing bank and other borrowings (note 15)	17,440,548	17,440,548
	<b>17,828,376</b>	<b>17,828,376</b>

At 31 December 2014 (Audited)

	Carrying amounts RMB'000	Fair values RMB'000
<b>Financial assets</b>		
Loans to joint ventures	105,113	105,113
Loans to associates	74,690	74,690
	<b>179,803</b>	<b>179,803</b>
<b>Financial liabilities</b>		
Derivative financial instruments (note 16)	384,177	384,177
Interest-bearing bank and other borrowings (note 15)	16,251,773	16,251,773
	<b>16,635,950</b>	<b>16,635,950</b>

## NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)

30 June 2015

### 24. FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

Fair value hierarchy as at 30 June 2015 (Unaudited)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Assets measured at fair value:</b>				
Investment properties (note 11)	—	—	11,148,950	11,148,950
<b>Assets measured at amortised cost:</b>				
Loans to joint ventures	—	—	87,607	87,607
Loans to associates	—	—	140,173	140,173
	—	—	227,780	227,780
<b>Liabilities measured at fair value:</b>				
Derivative financial instruments (note 16)	—	—	387,828	387,828
<b>Liabilities measured at amortised cost:</b>				
Interest-bearing bank and other borrowings (note 15)	—	—	17,440,548	17,440,548

Fair value hierarchy as at 31 December 2014 (Audited)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Assets measured at fair value:</b>				
Investment properties (note 11)	—	—	10,496,193	10,496,193
<b>Assets measured at amortised cost:</b>				
Loans to joint ventures	—	—	105,113	105,113
Loans to associates	—	—	74,690	74,690
	—	—	179,803	179,803
<b>Liabilities measured at fair value:</b>				
Derivative financial instruments (note 16)	—	—	384,177	384,177
<b>Liabilities measured at amortised cost:</b>				
Interest-bearing bank and other borrowings (note 15)	—	—	16,251,773	16,251,773

## **NOTES TO INTERIM FINANCIAL INFORMATION (CONTINUED)**

30 June 2015

### **24. FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)**

The fair values of the non-current portion of loans to joint ventures and associates and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments on similar terms, credit risk and remaining maturities. The Group assessed the credit risks as at the end of the reporting period of loans to joint ventures and associates to be insignificant. The Group's own non-performance risk for interest bearing bank and other borrowings as at the end of each of the reporting period was assessed to be insignificant.

The details of valuation technique and the inputs used in the fair value measurement of investment properties and derivative financial instruments have been disclosed in note 11 and note 16 to the interim financial information, respectively.

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

### **25. APPROVAL OF THE INTERIM FINANCIAL INFORMATION**

This interim financial information was approved and authorised for issue by the board of directors on 20 August 2015.



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