

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

# CAPITAL JUDA

## BEIJING CAPITAL JUDA LIMITED

### 首創鉅大有限公司

*(formerly known as Juda International Holdings Limited 鉅大國際控股有限公司)*

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

**(Stock Code: 1329)**

## INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

The board of directors (the “Board” or the “Directors”) of Beijing Capital Juda Limited (the “Company”) is pleased to present the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2015 together with the unaudited comparative figures for the corresponding period in the previous year as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 June 2015*

		For the six months ended 30 June	
	Notes	2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited) (Restated)
<b>CONTINUING OPERATION</b>			
REVENUE	4	215,225	–
Cost of sales		(173,484)	–
Gross profit		41,741	–
Other income and gains	4	6,741	–
Selling and distribution expenses		(9,029)	–
Administrative expenses		(4,586)	(5,285)
Finance costs	6	(33)	(39)
Gain on bargain purchase on acquisition of interests in subsidiaries		259,996	–

		<b>For the six months ended 30 June</b>	
	<i>Notes</i>	<b>2015</b>	2014
		<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
			<b>(Restated)</b>
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATION	5	<b>294,830</b>	(5,324)
Income tax expense	7	<b>(12,416)</b>	–
		<hr/>	<hr/>
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATION		<b>282,414</b>	(5,324)
<b>DISCONTINUED OPERATION</b>			
PROFIT/(LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATION	8	<b>19,465</b>	(1,690)
		<hr/>	<hr/>
PROFIT/(LOSS) FOR THE PERIOD		<b>301,879</b>	(7,014)
		<hr/>	<hr/>
Attributable to:			
Owners of the parent		<b>301,879</b>	(7,014)
Non-controlling interests		–	–
		<hr/>	<hr/>
		<b>301,879</b>	(7,014)
		<hr/>	<hr/>
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	10		
Basic:			
– For profit/(loss) for the period		<b>RMB150.94 cents</b>	RMB(3.51) cents
		<hr/>	<hr/>
– For profit/(loss) from continuing operation		<b>RMB141.21 cents</b>	RMB(2.66) cents
		<hr/>	<hr/>
– For profit/(loss) from discontinued operation		<b>RMB9.73 cents</b>	RMB(0.85) cents
		<hr/>	<hr/>
Diluted:			
– For profit/(loss) for the period		<b>RMB35.41 cents</b>	RMB(3.51) cents
		<hr/>	<hr/>
– For profit/(loss) from continuing operation		<b>RMB33.13 cents</b>	RMB(2.66) cents
		<hr/>	<hr/>
– For profit/(loss) from discontinued operation		<b>RMB2.28 cents</b>	RMB(0.85) cents
		<hr/>	<hr/>

Details of the dividend payable and proposed for the period are disclosed in note 9.

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2015

	For the six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
	(Unaudited)	(Unaudited) (Restated)
PROFIT/(LOSS) FOR THE PERIOD	<u>301,879</u>	<u>(7,014)</u>
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
– Translation of foreign operations	–	(32)
– Reclassification adjustments for gain on disposal of interests in subsidiaries included in the condensed consolidated statement of profit or loss	<u>(19,465)</u>	<u>–</u>
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	<u>(19,465)</u>	<u>(32)</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	<u>(19,465)</u>	<u>(32)</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	<u>282,414</u>	<u>(7,046)</u>
Attributable to:		
Owners of the parent	282,414	(7,046)
Non-controlling interests	<u>–</u>	<u>–</u>
	<u>282,414</u>	<u>(7,046)</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2015

	<i>Notes</i>	<b>30 June 2015</b>	31 December 2014
		<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		341	35
Deposit paid for the acquisition of land use right		<u>107,128</u>	<u>–</u>
Total non-current assets		<u>107,469</u>	<u>35</u>
<b>CURRENT ASSETS</b>			
Inventories		2,241,255	–
Trade receivables	11	5,160	–
Prepayments, deposits and other receivables		85,901	176
Prepaid tax		58,479	–
Restricted cash		52,559	–
Cash and cash equivalents		<u>1,197,448</u>	<u>145,531</u>
		<b>3,640,802</b>	<b>145,707</b>
Assets of a disposal group classified as held for sale		<u>–</u>	<u>189,662</u>
Total current assets		<u>3,640,802</u>	<u>335,369</u>
<b>CURRENT LIABILITIES</b>			
Trade payables	12	330,782	–
Other payables and accruals		928,287	171,209
Dividend payable		205,760	–
Interest-bearing bank borrowings		134,004	12,070
Taxes payable		<u>54,588</u>	<u>–</u>
		<b>1,653,421</b>	<b>183,279</b>
Liabilities directly associated with the assets classified as held for sale		<u>–</u>	<u>46,088</u>
Total current liabilities		<u>1,653,421</u>	<u>229,367</u>

	<i>Notes</i>	<b>30 June 2015 RMB'000 (Unaudited)</b>	31 December 2014 RMB'000 (Audited)
<b>NET CURRENT ASSETS</b>		<u>1,987,381</u>	<u>106,002</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,094,850</u>	<u>106,037</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		<u>143,707</u>	–
Total non-current liabilities		<u>143,707</u>	–
Net assets		<u>1,951,143</u>	<u>106,037</u>
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent</b>			
Issued capital	<i>13</i>	7,447	1,572
Reserves		<u>1,943,696</u>	<u>104,465</u>
		<b>1,951,143</b>	106,037
<b>Non-controlling interests</b>		–	–
Total equity		<u>1,951,143</u>	<u>106,037</u>

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. CORPORATE INFORMATION

Beijing Capital Juda Limited (formerly known as Juda International Holdings Limited before 26 March 2015) (the “Company”) is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

As stated in the announcement dated 22 January 2015 issued by the Company, the Company had completed the disposal of the chemical business and the acquisition of Xi’an Capital Xin Kai Real Estate Ltd. (“Xin Kai”), a real estate company. Upon completion, the Company and its subsidiaries (collectively referred to as the “Group”) ceased to be engaged in the chemical business and the main business was changed to outlets - backed integrated property and commercial property development and operation.

As announced on 25 June 2015, Get Thrive Limited (“GTL”), an indirectly wholly-owned subsidiary of Beijing Capital Land Ltd. (“BCL”, a joint stock company incorporated in the People’s Republic of China (the “PRC”) with limited liability whose H shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited) has transferred (the “Transfer”) its entire shareholding of ordinary shares of the Company of 130,200,000 shares (representing approximately 65.1% of the Company’s total issued share capital as at the date of this announcement) and its entire shareholding of convertible preference shares of the Company (the “CPS”) of 738,130,482 CPS (representing 100% of the total CPS in issue as at the date of this announcement) to BECL Investment Holding Limited (“BECL”), a directly wholly-owned subsidiary of BCL incorporated in the British Virgin Islands, on 19 June 2015. Upon the completion of the Transfer, the parent of the Company changed from GTL to BECL.

In the opinion of the directors of the Company, the immediate holding company of the Company is BECL. The intermediate holding company of the Company is BCL. The ultimate holding company of the Company is Beijing Capital Group Ltd. (“Capital Group”), a state-owned enterprise registered in the PRC.

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The condensed consolidated interim financial information is prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

The condensed consolidated interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s financial statements for the nine months ended 31 December 2014.

In prior years, the functional currency of the Company and its subsidiaries incorporated in Hong Kong and overseas were Hong Kong dollars (“HK\$”). Starting from 1 January 2015, the functional currency for all Hong Kong and overseas companies were changed from HK\$ to Renminbi (“RMB”), because, in the opinion of the directors of the Company, the change is align with the functional and presentation currency with that of BCL and is align with the changed presentation currency since 31 December 2014 which has been disclosed in note 2.1 to the annual financial statements for the nine months ended 31 December 2014.

The accounting policies and basis of preparation adopted in the preparation of the condensed consolidated interim financial information are the same as those used in the annual financial statements for the nine months ended 31 December 2014, except in relation to the functional currency mentioned above and the following new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) that affect the Group and are adopted for the first time for the current period’s financial information:

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

The adoption of the above new and revised HKFRSs has no material impact on the accounting policies of the Group.

## 3. OPERATING SEGMENT INFORMATION

During the six months ended 30 June 2015, all the Group’s operations are located and carried out in Mainland China, and all the revenue and operating results of the Group are derived from property development. Accordingly, no segment information by business and geographical segments is presented. The Group’s revenue from external customers is derived solely from its operations in Mainland China, and almost all non-current assets of the Group are located in Mainland China.

During the six months ended 30 June 2014, all the Group’s operations are located and carried out in Mainland China, and all revenue and operating results of the Group are derived from the manufacture and sale of chemical products. The Group’s revenue from external customers is derived solely from its operations in Mainland China, and almost all non-current assets of the Group are located in Mainland China.

#### 4. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the gross proceeds, net of business tax, from the sales of properties during the period.

An analysis of revenue, other income and gains from continuing operation is as follows:

	<b>For the six months ended 30 June</b>	
	<b>2015</b>	2014
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
		(Restated)
<u>Revenue</u>		
Sale of properties	<b>215,225</b>	–
<u>Other income and gains</u>		
Bank interest income	<b>1,259</b>	–
Other interest income	<b>3,101</b>	–
Gross rental income	<b>225</b>	–
Foreign exchange differences, net	<b>1,658</b>	–
Others	<b>498</b>	–
	<b>6,741</b>	–

#### 5. PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATION

The Group's profit/(loss) before tax from continuing operation is arrived at after charging:

	<b>For the six months ended 30 June</b>	
	<b>2015</b>	2014
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
		(Restated)
Cost of properties sold	<b>173,484</b>	–
Depreciation	<b>28</b>	–
Gain on bargain purchase on acquisition of interests in subsidiaries (note 14)	<b>259,996</b>	–



## 6. FINANCE COSTS

An analysis of the Group's finance costs from continuing operation is as follows:

	For the six months ended 30 June	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited) (Restated)
Interest on bank borrowings wholly repayable within five years	7,136	39
Less: Interest capitalised	<u>(7,103)</u>	<u>–</u>
	<b><u>33</u></b>	<b><u>39</u></b>

## 7. INCOME TAX EXPENSE

### Hong Kong profits tax

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profit arising in Hong Kong during the period (six months ended 30 June 2014: nil).

### PRC corporate income tax

PRC corporate income tax has been provided at the rate of 25% (six months ended 30 June 2014: 25%) on the taxable profits of the Group's PRC subsidiaries during the period.

### PRC land appreciation tax ("LAT")

According to the requirements of the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值稅暫行條例) effective from 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值稅暫行條例實施細則) effective from 27 January 1995, all income arising from the sale or transfer of state-owned land use rights, buildings and their attached facilities in Mainland China is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption for the sale of ordinary residential properties (普通標準住宅) if their appreciation values do not exceed 20% of the sum of the total deductible items.

Effective from 1995, the local tax authorities require the prepayment of LAT on the pre-sales and sales proceeds of properties development. According to the relevant tax notices issued by the local tax authorities, the Group is required to pay LAT in advance at 1%-3% on the pre-sales and sales proceeds of the Group's properties.

The Group has estimated, made and included in taxation a provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects.

	<b>For the six months ended 30 June</b>	
	<b>2015</b>	2014
	<b>RMB'000</b>	<i>RMB'000</i>
	<b>(Unaudited)</b>	(Unaudited) (Restated)
Current:		
Hong Kong	–	–
Mainland China:		
PRC corporate income tax	<b>13,426</b>	–
PRC land appreciation tax	<b>4,111</b>	–
Deferred	<u><b>(5,121)</b></u>	–
Total tax charge for the period	<u><b>12,416</b></u>	–

## **8. DISCONTINUED OPERATION**

On 3 December 2014, the Group entered into a sale and purchase agreement with Leadwin Asia Group Limited (“Leadwin Asia”), an independent third party, pursuant to which, the Group agreed to sell its entire interests in and shareholders’ loans to Cheng Wang Limited (“Cheng Wang”, a then indirectly wholly-owned subsidiary of the Company) to Leadwin Asia at a cash consideration of HK\$182,000,000. Cheng Wang and its subsidiaries engaged in the manufacture and sale of phthalic anhydride and fumaric acid. The disposal of Cheng Wang and its subsidiaries was completed on 22 January 2015.

The Group’s chemical business operation was solely undertaken by Cheng Wang and its subsidiaries. Accordingly, the chemical business operation of the Group was discontinued. Cheng Wang and its subsidiaries were classified as a disposal group during the six months ended 30 June 2014.

The results of the discontinued operation dealt with in the condensed consolidated financial statements for the six months ended 30 June 2015 and 2014 are summarised as below:

	<b>For the six months ended 30 June</b>	
	<b>2015</b> <i>RMB'000</i> <b>(Unaudited)</b>	2014 <i>RMB'000</i> (Unaudited) (Restated)
Revenue	–	89,292
Other income and gains	–	283
Cost of sales and operating expenses	–	(90,037)
Finance costs	–	(1,228)
	<hr/>	<hr/>
Loss before tax from discontinued operation	–	(1,690)
Income tax expense related to loss before tax from discontinued operation	–	–
	<hr/>	<hr/>
	–	(1,690)
Gain on disposal of the discontinued operation, net of income tax of nil ( <i>note 15</i> )	<b>19,465</b>	–
	<hr/>	<hr/>
Profit/(loss) for the period from discontinued operation wholly attributable to ordinary equity holders of the parent	<b>19,465</b>	(1,690)
	<hr/>	<hr/>

## 9. DIVIDEND

The directors of the Company do not recommend the payments of any dividend for the six months ended 30 June 2015 (six months ended 30 June 2014: nil).

**10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT**

The calculation of basic earnings per share amount for the period ended 30 June 2015 is based on the profit for the period attributable to ordinary equity holders of the parent of RMB301,879,000 (six months ended 30 June 2014: loss of RMB7,014,000), and the weighted average number of ordinary shares of 200,000,000 (six months ended 30 June 2014: 200,000,000) in issue during the period.

The calculation of diluted earnings per share amount for the period is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued on the deemed conversion of the Group's CPS into ordinary shares.

The calculations of basic and diluted earnings/(loss) per share are based on:

	<b>For the six months ended 30 June</b>	
	<b>2015</b>	2014
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited) (Restated)
<b>Earnings/(loss)</b>		
Profit/(loss) attributable to ordinary equity holders of the parent used in the basic earnings/(loss) per share calculation including:		
profit/(loss) from continuing operation	<b>301,879</b>	(7,014)
profit/(loss) from discontinued operation	<b>282,414</b>	(5,324)
	<b>19,465</b>	(1,690)
	<hr/>	<hr/>
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the period used in the basic earnings/(loss) per share calculation	<b>200,000,000</b>	200,000,000
Effect of dilution – weighted average number of ordinary shares: CPS	<b>652,491,034</b>	–
	<hr/>	<hr/>
	<b>852,491,034</b>	200,000,000
	<hr/>	<hr/>

## 11. TRADE RECEIVABLES

	<b>30 June 2015 RMB'000 (Unaudited)</b>	31 December 2014 RMB'000 (Audited)
Trade receivables	5,160	–
Impairment	–	–
	<u>5,160</u>	<u>–</u>

The Group's trade receivables arise mainly from the sale of properties. Consideration in respect of properties sold is payable in accordance with the terms of the corresponding sale and purchase agreements.

The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. In view of the aforementioned, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit of enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at the end of the reporting period, based on the delivery date of properties, is as follows. These trade receivables are not considered to be impaired.

	<b>30 June 2015 RMB'000 (Unaudited)</b>	31 December 2014 RMB'000 (Audited)
Within one month	<u>5,160</u>	<u>–</u>

## 12. 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:

	<b>30 June 2015 RMB'000 (Unaudited)</b>	31 December 2014 RMB'000 (Audited)
Within 1 year	<u>330,782</u>	<u>–</u>

The trade payables are non-interest-bearing and repayable within the normal operating cycle ranged from 7 months to 12 months or on demand.

### 13. SHARE CAPITAL

	<b>30 June 2015 RMB'000 (Unaudited)</b>	31 December 2014 RMB'000 (Audited)
Authorised:		
Ordinary shares		
20,000,000,000 (31 December 2014: 2,000,000,000) ordinary shares of HK\$0.01 each	<u>160,009</u>	<u>15,720</u>
CPS		
738,130,482 (31 December 2014: nil) CPS of HK\$0.01 each	<u>5,875</u>	<u>–</u>
Total	<u><b>165,884</b></u>	<u>15,720</u>
Issued and fully paid:		
Ordinary shares		
200,000,000 (31 December 2014: 200,000,000) ordinary shares of HK\$0.01 each	<u>1,572</u>	<u>1,572</u>
CPS		
738,130,482 (31 December 2014: nil) CPS of HK\$0.01 each	<u>5,875</u>	<u>–</u>
Total	<u><b>7,447</b></u>	<u>1,572</u>

## 14. BUSINESS COMBINATION

On 22 January 2015, the Group completed an acquisition of 100% equity interest in Xin Kai from Asian Expert Limited (“Asian Expert”, an indirectly wholly-owned subsidiary of BCL). The principal activity of Xin Kai is property development. The acquisition was made as a part of the Group’s strategy to focus on property development business. The consideration for the acquisition is approximately HK\$1,963,427,000 (RMB1,562,692,000) which was settled in cash. For funding and settlement of the consideration, GTL and the Company entered into a conditional subscription agreement on 15 August 2014, under which GTL subscribed for and the Company issued 738,130,482 CPS at an issue price of HK\$2.66 per CPS on 22 January 2015. All proceeds arising from the issue of the CPS were used to settle of the consideration of the acquisition.

Although the Group and Xin Kai are controlled by BCL both before and after the acquisition, Xin Kai was acquired by BCL from Reco Ziyang Pte Ltd. (“Reco Ziyang”), the non-controlling shareholders of certain BCL’s subsidiaries on 28 September 2014. Therefore, the control is transitory before the acquisition and the acquisition of Xin Kai by the Group was treated as a business combination using purchase accounting according to the requirements under Hong Kong Financial Reporting Standard 3 (Revised) *Business Combinations*.

The identification of the identifiable assets and liabilities of Xin Kai and the determination of their fair values as at the date of acquisition are as follows:

	Fair value recognised on acquisition <i>RMB’000</i>
Property, plant and equipment	218
Cash and bank balances	1,654,024
Inventories	2,072,543
Prepayments, deposits and other receivables	75,236
Prepaid land appreciation tax	58,384
Trade payables	(205,966)
Advances from customers	(840,702)
Other payables and accruals	(41,873)
Dividend payable	(572,078)
Interest-bearing bank borrowings	(166,000)
Taxes payable	(62,270)
Deferred tax liabilities	(148,828)
	<hr/>
Total identifiable net assets at fair value	1,822,688
Gain on bargain purchase recognised in the condensed consolidated statement of profit or loss	(259,996)
	<hr/>
Satisfied by cash	<u>1,562,692</u>

An analysis of the cash flows in respect of the acquisition of Xin Kai is as follows:

	<i>RMB'000</i>
Cash consideration	(1,562,692)
Cash and cash equivalents acquired	<u>1,634,477</u>
Net inflow of cash and cash equivalents included in cash flows from investing activities	71,785
Transaction costs of the acquisition included in cash flows from operating activities	<u>(31,662)</u>
	<u><u>40,123</u></u>

The fair value of the other receivables as at the date of acquisition amounted to RMB26,973,000, which was the same as the gross contractual amounts.

The Group incurred transaction costs of RMB31,662,000 for this acquisition. Most of these transaction costs amounting to RMB30,720,000 were accrued and included in administrative expenses in the consolidated statement of profit or loss for the nine-month period ended 31 December 2014, the remaining expenses are included in administrative expenses in the consolidated statement of profit or loss for the six months ended 30 June 2015.

The consideration of the acquisition of HK\$1,963,427,000 (RMB1,562,692,000) was determined by reference to that of BCL's acquisition of Xin Kai from Reco Ziyang on 28 September 2014, which was agreed based on the fair value of Xin Kai's net assets as at 30 June 2014 and also included a discount to Xin Kai's assessed net assets value due to the long-term relationship between BCL and Reco Ziyang. Therefore, a gain on bargain purchase arose from the acquisition.

Since the acquisition, Xin Kai contributed RMB215,225,000 to the Group's revenue and RMB24,906,000 to the consolidated profit for the six months ended 30 June 2015.



## 15. DISPOSAL OF SUBSIDIARIES

As detailed in note 8, the Company's equity interests in Cheng Wang were disposed of to a third party on 22 January 2015.

Details of the disposal transaction of the entire equity interests in Cheng Wang are summarised as follow:

	<i>Note</i>	<b>2015</b> <b>RMB'000</b> <b>(Unaudited)</b>
Net assets disposed of:		
Prepaid lease payments		1,462
Prepayments on acquisition of property, plant and equipment		18,500
Property, plant and equipment		55,898
Inventories		44,717
Trade receivables		4,975
Prepayments, deposits and other receivables		8,850
Pledged deposits		24,670
Cash and cash equivalents		36,381
Loss recognised on the remeasurement to fair value		(5,791)
Trade payables		(176)
Other payables and accruals		(2,796)
Taxes payable		(3,116)
Interest-bearing bank borrowings		(40,000)
Exchange fluctuation reserve realised		(19,465)
		<hr/>
		124,109
Gain on disposal of subsidiaries	8	19,465
		<hr/>
		143,574
		<hr/>
Satisfied by:		
Cash		143,574
		<hr/>

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

	<b>2015</b> <b>RMB'000</b> <b>(Unaudited)</b>
Cash consideration	143,574
Cash and cash equivalents disposed of	<u>(36,381)</u>
	<b>107,193</b>
Cash consideration received in advance during the nine months ended 31 December 2014	<u>(143,574)</u>
Net outflow of cash and cash equivalents in respect of the disposal of subsidiaries	<u><b>(36,381)</b></u>

## 16. CAPITAL COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	<b>30 June</b> <b>2015</b> <b>RMB'000</b> <b>(Unaudited)</b>	31 December 2014 <b>RMB'000</b> <b>(Audited)</b>
Contracted, but not provided for:		
Acquisition of Xin Kai	–	1,562,692
Properties under development	<u>452,371</u>	<u>–</u>
	<u><b>452,371</b></u>	<u>1,562,692</u>

## 17. CONTINGENT LIABILITIES

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

	<b>30 June</b> <b>2015</b> <b>RMB'000</b> <b>(Unaudited)</b>	31 December 2014 <b>RMB'000</b> <b>(Audited)</b>
Contracted, but not provided for:		
Mortgage facilities for certain purchasers of the Group's properties	<u>1,747,946</u>	<u>–</u>

## 18. EVENTS AFTER THE REPORTING PERIOD

- (a) On 23 July 2015, Capital Juda Investments Limited, a wholly-owned subsidiary of the Company, and Beijing Jin Fu Long Ding Investments Management Company Limited, a wholly-owned subsidiary of BCL, entered into a land use right grant contract with Land Resources Department of Nanchang (南昌市國土資源局) for the acquisition of the land use right located in Nanchang City with a site of area of approximately 130.48 mu at cash consideration of approximately RMB377 million in relation to the succeeded bid at the public auction held on 6 July 2015. As at the date of this announcement, the acquisition has not yet been completed.

Further details of the acquisition are set out in the Company's circular dated 7 August 2015.

- (b) On 23 July 2015, Rosy Capital Global Limited ("Rosy"), a wholly-owned subsidiary of the Company, the Company and Capital Group entered into the subscription agreement with The Hongkong and Shanghai Banking Corporation Limited, DBS Bank Ltd., ABCI Capital Limited, Bank of China (Hong Kong) Limited and China Construction Bank Corporation, Singapore Branch in connection with the proposed international offering of RMB1,300,000,000 guaranteed notes due 2018 at the rate of 5.25% per annum proposed to be issued by Rosy (the "Notes"). The issuance of the Notes has been completed on 30 July 2015 and the Notes has been listed for trading on the Stock Exchange of Hong Kong on 31 July 2015. Further details of the Notes are set out in the announcement dated 20, 24 and 30 July 2015.

## 19. COMPARATIVE AMOUNTS

As a result of the discontinuance of the chemical business as detailed in note 8, the comparative statement of profit or loss has been re-presented as if the operation had been discontinued at the beginning of the comparative period. As disclosed in note 2.1 to the Group's financial statements for the nine months ended 31 December 2014, owing to change in presentation currency of the Group from HK\$ to RMB and change of financial year end date from 31 March to 31 December since 31 December 2014, the comparative amounts have been restated in RMB and the comparative period has been changed to six months ended 30 June 2014 instead of six months ended 30 September 2014 to conform the current period's presentation.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business and financial review

2015 was a remarkable year for the Group's development. Following our dedicated effort, we have successfully completed the disposal of the chemical business and the acquisition of new property development business in January 2015. Through this series of transactions, the Group was able to change its principal business to outlets-backed integrated property projects and commercial property projects development in 17 selected cities of the PRC. In order to signify this new strategic move, the Company's name has also been changed from "Juda International Holdings Limited" (鉅大國際控股有限公司) to "Beijing Capital Juda Limited" (首創鉅大有限公司) on 26 March 2015.

The Group currently engages in the development, sale, leasing and operation of Xi'an First City ("西安首創國際城") which is designed to be an outlets-backed integrated property project in Xi'an Economic and Technological Development Zone, the PRC. Xi'an First City represents the first outlets-backed integrated property project of the Group. During the period, the contracted sale area of Xi'an First City amounted to 50,732 sqm, whereas average contracted selling price and the contracted sales recorded RMB5,709/sqm and RMB289,612,000 respectively.

In terms of land reserve, on 30 June 2015, the unsold gross floor area and unsold overground floor area of residential properties/commercial properties/office premises/hotels/car park space (as developing properties) of Xi'an First City amounted to 590,621 sqm and 378,707 sqm respectively. The approximate gross floor area of the outlets (as investment properties) amounted to 50,000 sqm. The above land parcels are wholly-owned by the Group. In the corresponding period of last year, the principal activities of the Group were the production of two chemical products in the PRC, namely pythalic anhydride and fumaric acid.

In the light of the above, the revenue and gross profit for the corresponding period of 2014 described below related only to the discontinued operation of chemical business. The profit and loss items for the corresponding period are not comparable with amounts shown for the current period.

The Group's consolidated revenue of the current period amounted to RMB215,225,000 arising from the sales of commercial and residential properties. In the corresponding period of 2014, the consolidated revenue amounted to RMB89,292,000 arising from the sales of chemical products. The gross profit for the six months ended 30 June 2015 and 2014 are 19.4% and 2.9% respectively.

The Group recorded a consolidated net profits of RMB301,879,000 for the six months ended 30 June 2015, which mainly attributable to the gross profit from the sale of properties of RMB41,741,000, the recognition of bargain purchase in relation to the acquisition of 100% equity interest in Xi'an Capital Xin Kai Real Estate Ltd. ("Xin Kai") of RMB259,996,000 and the gain on disposal of discontinued operation of RMB19,465,000.

In the corresponding period of 2014, the Group recorded a consolidated net loss of RMB7,014,000 comprising loss from discontinued operation and loss from continuing operation of RMB1,690,000 and RMB5,324,000, respectively. The loss from discontinued operation was mainly due to the unfavourable market environment and the weak demand of the downstream industry of chemical business operation, which decreased in average selling price and sales quantity of the chemical products. The loss from continuing operation was mainly represented the administrative expenses of RMB5,285,000, of which RMB4,368,000 was related to the professional fees in respect of the Company's corporate transactions and operations.

### **Liquidity and Financial Resources**

The Group continued to rely upon internally generated cash flows and bank borrowings to finance its operations during the six months ended 30 June 2015. As at 30 June 2015, the Group's cash and cash equivalent amounted to approximately RMB1,197,448,000 (31 December 2014: approximately RMB145,531,000), including approximately RMB1,194,982,000 (31 December 2014: nil) and approximately RMB2,466,000 (31 December 2014: approximately RMB145,531,000) denominated in RMB and Hong Kong dollars ("HK\$") respectively. The Group's restricted cash amounted to approximately RMB52,559,000 (31 December 2014: nil). The majority of the Group's cash and cash equivalent and restricted cash are deposited with creditworthy banks with no recent history of default. Cash at banks generally earns interest at floating rates based on daily bank deposit rates.

As at 30 June 2015, the Group's interest-bearing bank borrowings were approximately RMB134,004,000 (31 December 2014: approximately RMB12,070,000) and approximately RMB130,000,000 (31 December 2014: nil) and approximately RMB4,004,000 (31 December 2014: RMB12,070,000) were denominated in RMB and HK\$ respectively. The bank borrowings as at 30 June 2015 were due within one year (31 December 2014: due within one year) and RMB130,000,000 of total amount was secured by certain properties under development and completed properties held for sales (31 December 2014: unsecured). The range of effective interest rate on bank borrowings for the six months ended 30 June 2015 was 2.39%-6.61% per annum (31 December 2014: 3.38%-3.39% per annum).

As at 30 June 2015, the Group's net gearing ratio increased to negative of 57.2% (31 December 2014: negative of 125.9%), based on the division of net borrowings (including total bank and other borrowings minus restricted bank balances and cash and cash equivalents) by total equity, primarily due to the increase of total equity, upon the completion of acquisition of Xin Kai in January 2015.

### **Foreign Exchange Exposure**

Major subsidiaries of the Company operates in the PRC and all of the transactions denominated in RMB. Currently, the Group has not used derivative financial instruments.

### **Contingent Liabilities**

As at 30 June 2015, the Group had contingent liabilities relating to guarantees given to banks for mortgage loan facilities granted to purchasers of properties of approximately RMB1,747,946,000.

### **Capital Commitments**

As at 30 June 2015, the Group had capital commitments relating to the committed outstanding construction costs for the properties under development of Xi'an First City of approximately RMB452,371,000.

### **Events after the reporting period**

- (a) On 23 July 2015, Capital Juda Investments Limited, a wholly-owned subsidiary of the Company, and Beijing Jin Fu Long Ding Investments Management Company Limited, a wholly-owned subsidiary of BCL entered into Land Use Right Grant contract with Land Resources Department of Nanchang (南昌市國土資源局) for the acquisition of the land use right located in Nanchang with a site of area of approximately 130.48 mu at cash consideration of approximately RMB377 million in relation to the succeeded bid at the public auction held on 6 July 2015. As at the date of this announcement, the acquisition has not yet been completed.

Further details of the acquisition are set out in the Company's circular dated 7 August 2015.

- (b) On 23 July 2015, Rosy Capital Global Limited (“Rosy”), a wholly-owned subsidiary of the Company, the Company and Capital Group entered into the subscription agreement with The Hongkong and Shanghai Banking Corporation Limited, DBS Bank Ltd., ABCI Capital Limited, Bank of China (Hong Kong) Limited and China Construction Bank Corporation, Singapore Branch in connection with the proposed international offering of RMB1,300,000,000 guaranteed notes due 2018 at the rate of 5.25% per annum proposed to be issued by Rosy (the “Notes”). The issuance of the Notes has been completed on 30 July 2015 and the Notes has been listed for trading on the Stock Exchange of Hong Kong on 31 July 2015. Further details of the Notes are set out in the announcement dated 20, 24 and 30 July 2015.

## **INTERIM DIVIDEND**

The directors of the Company (the “Directors”) have resolved not to declare interim dividend for the six months ended 30 June 2015 (30 September 2014: nil).

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

During the period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

## **CODE ON CORPORATE GOVERNANCE PRACTICES**

The board of Directors (the “Board”) recognises the importance of maintaining a high standard of corporate governance to protect and enhance the benefits of shareholders and has applied the principles of the code provisions of the Code on Corporate Governance Practices contained in Appendix 14 (the “CG Code”) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

For the period ended 30 June 2015, the Company has complied with the code provisions of the CG Code with deviations from the code provision E.1.2 of the CG Code as summarised below:

- i. The code provision E.1.2 of the CG Code stipulates that the chairman of the Board should attend the annual general meeting (“AGM”) of the Company.

The chairman of the Board did not attend the 2015 AGM due to an urgent business engagement. An executive Director had chaired the 2015 AGM and answered questions from shareholders. The chairman of the Audit Committee was also available to answer questions at the 2015 AGM.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

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

## **HUMAN RESOURCES**

As of 30 June 2015 the Group had about 62 employees (six months ended 30 June 2014: 88). Total staff costs for the six months ended 30 June 2015 were approximately RMB8,150,000 (six months ended 30 June 2014: approximately RMB3,780,000). The remuneration policy and package of the Group's employees are structured in accordance to market terms and statutory requirements where appropriate. In addition, the Group also provides other staff benefits such as medical insurance, mandatory provident fund and share options to motivate and reward employees at all levels to achieve the Group's business performance targets.

## **SHARE OPTION SCHEME**

The Company adopted the scheme (the "Scheme") on 14 March 2012 (the "Adoption Date") which will remain in force for a period of 10 years commencing from the Adoption Date.

Under the Scheme, the directors may at their discretion grant options to (i) any employee of any member of the Group or any entity in which any member of the Group holds any equity interest (the "Invested Entity"); (ii) any executive and non-executive Directors of any member of the Group or any Invested Entity; (iii) any supplier and customer of any member of the Group or any Invested Entity; (iv) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (v) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any Invested Entity; or (vi) any adviser or consultant of any member of the Group or any Invested Entity to subscribe for the shares of the Company.

The maximum number of shares in respect to which options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company on the date of adopting the Scheme. The limit may be refreshed at any time provided that the new limit must not be in aggregate exceed 10% of the issued share capital of the Company as at the date of the shareholders' approval in general meeting. However, the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other scheme of the Company must not in aggregate exceed 30% of the shares



in issue from time to time. The maximum number of shares in respect of which options may be granted to any individual in any 12-month period shall not exceed 1% of the shares in issue on the last date of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

Options may be exercised at any time from the date of grant of the option to the 10th anniversary of the date of grant as may be determined by the directors. The exercise price is determined by the directors, and will not be less than the highest of (i) the closing price per share as stated in the Stock Exchange's daily quotations sheets on the date of the grant of the options; (ii) the average closing price per share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the grant of the options; or (iii) the nominal value of a share.

As at 30 June 2015, no share option was granted, exercised, expired or lapsed and there is no outstanding share option under the Scheme.

## **BOARD COMPOSITION**

As at 30 June 2015, the Board consists of a total of seven Directors, comprising two executive Directors, two non-executive Director and three independent non-executive Directors.

## **DISCLOSURE OF INFORMATION OF DIRECTORS**

Pursuant to Rule 13.51B (1) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the changes in information of directors of the Company subsequent to the 2014 Annual Report is set out below:

Mr. Liu Xiaoguang, a non-executive Director and a member of the Remuneration Committee of the Company, has ceased to act as chairman of Capital Group on 21 May 2015, and resigned as Chairman of the Board, chairman and member of Strategic Committee and chairman and member of Nomination Committee, and was re-designated as a non-executive Director of BCL on 10 August 2015.

Mr. Wang Hao, a non-executive Director and the chairman of the Strategic Committee of the Company, has been appointed as chairman of Capital Group with effect from 21 May 2015, and was re-designated as an executive Director, and was appointed as Chairman of the Board, chairman of Strategic Committee and chairman of Nomination Committee of BCL. Mr. Wang Hao was then resigned as a member of Remuneration Committee of BCL with effect from 10 August 2015.

## **REVIEW BY AUDIT COMMITTEE**

The Audit Committee comprises three independent non-executive Directors, namely Dr. Ngai Wai Fung (Chairman), Ms. Zhao Yuhong and Mr. He Xiaofeng. The Audit Committee, together with the management of the Company, have reviewed the accounting principles and practices adopted by the Group and discussed auditing and financial reporting matters including the review of the unaudited consolidated interim financial statements of the Group for the six months ended 30 June 2015.

## **PUBLICATION OF UNAUDITED INTERIM RESULTS AND INTERIM REPORT**

This results announcement is published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company. The interim report of the Company for the six months ended 30 June 2015 containing all the information required by the Listing Rules will be despatched to the Company's shareholders and available on the above websites in due course.

By the order of the Board of  
**Beijing Capital Juda Limited**  
**Tang Jun**  
*Chairman*

Hong Kong, 10 August 2015

*As at the date of this announcement, the Board comprises Mr. Tang Jun (Chairman) and Mr. Zhong Beichen (Chief Executive Officer) as executive directors; Mr. Wang Hao and Mr. Liu Xiaoguang as non-executive directors; and Dr. Ngai Wai Fung, Ms. Zhao Yuhong and Mr. He Xiaofeng as independent non-executive directors.*