



**Sunbridge Group Limited and its Controlled Entities**

Level 31, 120 Collins Street, Melbourne, Vic 3000

T: +613 9225 5077 F: +613 9225 5050

[www.sunbridge.com.au](http://www.sunbridge.com.au)

**ASX ANNOUNCEMENT**

**31 August 2015**

ASX Market Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

**By electronic lodgement**

**Appendix 4D and Half-year Financial Report**

Sunbridge Group Limited (ASX: SBB) lodges the attached Appendix 4D and the half-year Financial Report for the period ended 30 June 2015.

This document contains all the half-year information required by ASX LR 4.2A. The information enclosed should be read in conjunction with the most recent annual financial report.

**Sunbridge Group Limited Communications and Investor Relations:**

<http://www.sunbridge.com.au>



**SUNBRIDGE GROUP LIMITED**  
and its controlled entities

ABN 40 163 886 020

**HALF-YEAR FINANCIAL REPORT**  
Incorporating the requirements of Appendix 4D

30 JUNE 2015

# Appendix 4D

## 1. Company Details

Name of Entity

Sunbridge Group Limited

ABN

40 163 886 020

Half year ended ("current period")

30 June 2015

Half year ended ("previous period")

30 June 2014

## 2. Results for announcement to the market

\$			
2.1 Revenues from continuing operations	Down	16% to	36,761,295
2.2 Profit / (loss) from continuing operations after tax attributable to members	Down	70% to	2,017,698
2.3 Net profit / (loss) for the period attributable to members	Down	70% to	2,017,698
2.4 Dividends	Amount per security		Franked amount per security
Interim dividend declared	N/A		N/A
2.5 Record date for determining entitlements to the dividend	N/A		
2.6 Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable figures to be understood			
The 16% decrease above is comprised of the decrease of revenue and the fluctuation in the exchange rates used in translation.			
Revenue in RMB:			
Period	HY 2014	HY 2015	Change in percentage
Amount	246,152,843	176,144,205	(28.44%)
The RMB to AUD exchange rates used in translation are as follows:			
Period	HY 2014	HY 2015	Change in percentage
Average exchange rates RMB to AUD	0.1780	0.2087	17.25%

<b>3. Net tangible assets per security</b>	30 June 2014	30 June 2015
Net tangible asset backing per ordinary security	9.67 cents	12.24 cents

#### 4. Details of entities over which control has been gained or lost

##### 4.1. Control gained over entities

N/A
-----

##### 4.2. Control lost over entities

N/A
-----

#### 5. Dividends

##### Individual dividends per security

	Date dividend is payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
<b>Interim dividend:</b> Current year	N/A	N/A	N/A	N/A
Previous year	30 April 2014	0.06 cents	N/A	0.06 cents

#### 6. Dividend reinvestment plans

The dividend or distribution plans shown below are in operation.

N/A	
The last date(s) for receipt of election notices for the dividend or distribution plans.	N/A

#### 7. Details of associates and joint entities

N/A
-----

**8. Foreign entities**

For foreign entities, details of origin of accounting standards used in compiling the report.

PRC GAAP and Chinese Accounting Standards are adapted for subsidiaries converted to IFRS

**9. If the accounts are subject to audit dispute or qualification, details are described below.**

N/A

Sign here:



Director

Date:

31 August 2015

Print Name: Wayne V Reid

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# Directors' Report

The Directors of Sunbridge Group Limited ('Sunbridge' or 'the Company') present their Report together with the financial statements of the Consolidated Entity, being Sunbridge and its Controlled Entities ('the Group') for the half-year ended 30 June 2015.

### Director details

The following persons were Directors of Sunbridge during or since the end of the financial half-year:

- Mr Jia Yin Xu
- Mr Wayne V Reid
- Mr Ting Jiang
- Prof. Oiang An Liu
- Mr Benny Yubin Qiu

### Company secretary

Mr Chow Yee Koh has previously held senior positions with a number of professional accounting firms and has a degree in Accounting and Finance.

### Review of operations and financial results

#### Commentary on Half-year Results

Through this report, the Board seeks to provide an update to its Shareholders and the market on the results achieved for the first half of 2015 financial year (ended 30 June 2015). It should be noted that the Group's financial year runs from January to December each year.

The Sunbridge Group realised an after tax profit of \$2.02 million for the half year ended 30 June 2015 financial year which represents a decrease of 70% on the previous comparative period. The Company's cash and cash equivalents reserves remain strong at \$29.8 million.

#### Corporate Results Summary

For the first half year of 2015, the Sunbridge Group, through its wholly owned China based subsidiaries, recognised:

- Group revenue for the first half year (excluding interest received) was down by 16% to \$36.8 million compared to 2014 first half year's revenue of \$43.8 million; The revenue decreased due to the competitive menswear market, particularly the online stores emerging in recent years.
- Sunbridge's direct stores generated total revenues of \$9.1 million, a significant increase from first half year of 2014's revenues of \$ 1.8 million through improved brand



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recognition and effective management and expanding of the Group's own stores. The number of stores has increased to 72 in 2015 from 24 comparative to first half of 2014.

- Group NPBT of \$2.83 million for the half year 2015, a decrease of 70% over the previous comparative period NPBT of \$9.34 million;
- Group NPAT of \$2.02 million. A decrease of 70% over the previous comparative period NPAT of \$6.75 million;
- Foreign exchange translation gain impacting on comprehensive income of \$3.9 million;
- Continuing strong cash reserves of \$29.8 million;

As one of China's leading brands in menswear, Sunbridge continues to grow its market share despite strong competitive pressures. Sunbridge's gross margin holding steady at 35% (2014: 33%).





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## Directors' Report

A copy of the Auditor's Independence Declaration as required under s307C of the *Corporations Act 2001* is included on page 3 of this financial report and forms part of this Directors Report.

Signed in accordance with a resolution of the Directors.

Wayne V Reid  
Chairman

31 August 2015

Level 1,  
67 Greenhill Rd  
Wayville SA 5034

Correspondence to:  
GPO Box 1270  
Adelaide SA 5001

T 61 8 8372 6666  
F 61 8 8372 6677  
E [info.sa@au.gt.com](mailto:info.sa@au.gt.com)  
W [www.grantthornton.com.au](http://www.grantthornton.com.au)

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF SUNBRIDGE GROUP LIMITED**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Sunbridge Group Limited for the half-year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



J L Humphrey  
Partner – Audit & Assurance

Adelaide, 31 August 2015

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# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## For the half-year ended 30 June 2015

	Notes	30-Jun-2015 \$	30-Jun-2014 \$
Revenue		36,761,295	43,815,206
Cost of sales		(23,719,462)	(29,323,030)
<b>Gross profit</b>		<b>13,041,833</b>	<b>14,492,176</b>
Other income		60,768	52,626
<b>Less expenses:</b>			
Advertising expense		(1,076,892)	(1,210,400)
Direct store expense		(2,927,890)	(498,922)
Amortisation and impairment expenses for direct store franchise right		(832,009)	(484,852)
Wholesaler commission		(408,608)	(821,859)
Franchise store owner renovation support expense		(2,629,411)	-
Other operating expenses		(1,019,152)	(914,834)
Administration expenses		(1,345,195)	(991,980)
Finance costs		(33,054)	(282,869)
<b>Profit before tax</b>		<b>2,830,390</b>	<b>9,339,086</b>
Income tax expense		(812,692)	(2,587,131)
<b>Profit for the period attributable to owners of the period</b>		<b>2,017,698</b>	<b>6,751,955</b>
<b>Other comprehensive income:</b>			
Items that may subsequently be reclassified to profit or loss			
Exchange differences on translating foreign operations		3,856,030	(2,924,491)
<b>Total comprehensive income for the period attributable to owners of the parent</b>		<b>5,873,728</b>	<b>3,827,464</b>
<b>Earnings per share on profit attributable to members</b>			
Diluted earnings per share (cents)	7	0.43	1.43
Basic earnings per share (cents)	7	0.43	1.43

The accompanying notes form part of these financial statements.



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# Consolidated Statement of Financial Position

**As at 30 June 2015**

	Notes	30-Jun-2015 \$	31-Dec-2014 \$
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents		29,826,407	29,320,103
Trade and other receivables		15,294,918	16,159,086
Security deposits paid to suppliers		2,268,055	2,185,085
Inventories		4,807,436	5,392,135
<b>Total current assets</b>		<b>52,196,816</b>	<b>53,056,409</b>
<b>Non-current</b>			
Property, plant and equipment	8	8,739,736	6,439,403
Intangible assets	9	3,551,147	4,115,326
Deferred tax assets		2,318,973	1,731,340
<b>Total non-current assets</b>		<b>14,609,856</b>	<b>12,286,069</b>
<b>Total assets</b>		<b>66,806,672</b>	<b>65,342,478</b>
<b>Liabilities</b>			
<b>Current</b>			
Trade and other payables		5,162,505	5,940,314
Financial liabilities	10	-	2,891,300
Current tax liabilities		349,842	1,090,267
<b>Total liabilities</b>		<b>5,512,347</b>	<b>9,921,881</b>
<b>Net assets</b>		<b>61,294,325</b>	<b>55,420,597</b>
<b>Equity</b>			
Share capital	11	12,495,825	12,495,825
Other Reserves		6,771,262	6,771,262
Foreign Translation Reserve		11,006,113	7,150,083
Retained earnings		31,021,125	29,003,427
<b>Total equity</b>		<b>61,294,325</b>	<b>55,420,597</b>

The accompanying notes form part of these financial statements.



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# Consolidated Statement of Changes in Equity

## For the half-year ended 30 June 2015

	Share Capital	Retained Earnings	Foreign Exchange Reserve	Other Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2015	12,495,825	29,003,427	7,150,083	6,771,262	55,420,597
Profit for the period	-	2,017,698	-	-	2,017,698
Other comprehensive income	-	-	3,856,030	-	3,856,030
<b>Total comprehensive income for the period (subtotal)</b>	-	<b>2,017,698</b>	<b>3,856,030</b>	-	<b>5,873,728</b>
<b>Balance at 30 June 2015</b>	<b>12,495,825</b>	<b>31,021,125</b>	<b>11,006,113</b>	<b>6,771,262</b>	<b>61,294,325</b>

## For the half-year ended 30 June 2014

	Share Capital	Retained Earnings	Foreign Exchange Reserve	Other Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2014	12,495,825	20,900,088	2,957,819	6,771,262	43,124,994
<b>Transactions with owners in their capacity as owners:</b>					
Dividends paid	-	(283,044)	-	-	(283,044)
Profit for the period	-	6,751,955	-	-	6,751,955
Other comprehensive income for the period	-	-	(2,924,491)	-	(2,924,491)
<b>Total comprehensive income for the period (subtotal)</b>	-	<b>6,751,955</b>	<b>(2,924,491)</b>	-	<b>3,827,464</b>
<b>Balance at 30 June 2014</b>	<b>12,495,825</b>	<b>27,368,999</b>	<b>33,328</b>	<b>6,771,262</b>	<b>46,669,414</b>

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# Consolidated Statement of Cash Flows

## For the half-year ended 30 June 2015

Notes	30-Jun-2015 \$	30-Jun-2014 \$
<b>Cash flows from operating activities</b>		
Receipts from customers	38,677,000	47,229,801
Payments to suppliers, employees and others	(31,847,742)	(33,853,830)
Interest received	60,768	51,777
Finance costs	(33,054)	(282,869)
Income tax paid	(2,094,453)	(3,083,543)
<b>Net cash flows from operating activities</b>	<b>4,762,519</b>	<b>10,061,336</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible assets	-	(1,166,332)
Purchase of property, plant and equipment	(2,128,280)	(388,720)
<b>Net cash flows from investing activities</b>	<b>(2,128,280)</b>	<b>(1,555,052)</b>
<b>Cash flows from financing activities</b>		
Repayment of related party loan	(955,193)	-
Repayment of borrowings	(3,100,100)	(3,809,800)
Dividends paid	-	(182,521)
<b>Net cash flows from financing activities</b>	<b>(4,055,293)</b>	<b>(3,992,321)</b>
<b>Net increase/decrease in cash held</b>	<b>(1,421,054)</b>	<b>4,513,963</b>
<b>Cash at the beginning of the period</b>	<b>29,320,103</b>	<b>27,856,579</b>
Effects of movements in foreign exchange rates on cash holdings in foreign currencies	1,927,358	(1,905,493)
<b>Cash at the end of the period</b>	<b>29,826,407</b>	<b>30,465,049</b>

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# Notes to the Condensed Interim Consolidated Financial Statements

## **1. Nature of operations**

The principal activity of Sunbridge Group Limited and subsidiaries' ('the Group') was the sale of the menswear.

The Group operates in two operating segments being the wholesale of clothing apparel to franchised distributors and retail sales of clothing apparel by company owned stores. The Group currently operates in one geographical segment, being the People's Republic of China.

There were no other significant changes in the nature of the consolidated Group's principal activities during the half year of 2015.

## **2. General information and basis of preparation**

The condensed interim consolidated financial statements ('the interim financial statements') of the Group are for the six (6) months ended 30 June 2015 and are presented in Australian dollars (\$AUD), which is the functional currency of the Parent Company. These general purpose interim financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2014 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

The interim financial statements have been approved and authorised for issue by the Board of Directors on 31 August 2015

## **3. Significant accounting policies**

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the Group's last annual financial statements for the year ended 31 December 2014.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim financial statements.

## **4. Estimates**

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.



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The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 31 December 2014. The only exception is the estimate of the provision for income taxes which is determined in the interim financial statements using the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

### 5. Significant events and transactions

During the period the company incurred \$2,629,411 in payments to franchise storeowner for renovation support provided.

Other than noted above there have been no other significant events or transactions.

### 6. Segment reporting

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors and management (chief operating decision maker) in assessing performance and determining the allocation of resources.

The following operating segments have been noted:

- Wholesale of clothing apparel to franchised distributors; and
- Retail sales of clothing apparel by company owned stores.

During the six month period ended 30 June 2015, there have been no changes from prior periods in the measurement methods used to determine operating segments and reported segment profit or loss.

The revenues and profit generated by each of the Group's operating segments and segment assets are summarised as follows:

	Wholesale	Retail Sales	Unallocated	Total
6 months to 30-Jun-2015	\$	\$	\$	\$
Segment revenues	27,664,651	9,096,644	-	36,761,295
Segment results (Profit after tax)	767,132	1,513,837	(263,271)	2,017,698

	Wholesale	Retail Sales	Unallocated	Total
6 months to 30-Jun-2014	\$	\$	\$	\$
Segment revenues	42,022,387	1,792,819	-	43,815,206
Segment results (Profit after tax)	6,758,532	393,269	(399,846)	6,751,955

	Wholesale	Retail Sales	Unallocated	Total
	\$	\$	\$	\$
Total segment assets				
30 June 2015	64,888,333	3,551,147	(1,632,808)	66,806,672
30 June 2014	54,514,059	-	2,573,527	57,087,586





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### 7. Earnings per share

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the Parent Company (Sunbridge) as the numerator, i.e. no adjustments to profits were necessary during the six (6) months period to 30 June 2015.

The number of ordinary shares used in the calculation of the diluted earnings per share is the same as the number used in the calculation of basic earnings per share, as options are not considered to be dilutive.

	6 months to 30-Jun-2015	6 months to 30-Jun-2014
Profit used to calculate basic and dilutive EPS	\$2,017,698	\$6,751,955
Weighted average number of shares used in basic and diluted EPS	471,738,000	471,738,000

### 8. Property, plant and equipment

The following tables show the movements in property, plant and equipment:

	Office equipment \$	Direct store equipment \$	Land and Buildings \$	Vehicle \$	Construction in progress \$	Total \$
<b>Cost</b>						
<b>At 1 January 2015</b>	<b>35,271</b>	<b>1,529,876</b>	<b>3,166,836</b>	<b>110,348</b>	<b>2,034,185</b>	<b>6,876,516</b>
Additions	170,591	-	12,522	-	1,945,167	2,128,280
Transfers	-	-	4,074,228	-	(4,074,228)	-
Exchange differences	6,716	110,483	328,566	7,969	94,876	548,610
<b>At 30 June 2015</b>	<b>212,578</b>	<b>1,640,359</b>	<b>7,582,152</b>	<b>118,317</b>	<b>-</b>	<b>9,553,406</b>
<b>Accumulated Depreciation</b>						
<b>At 1 January 2015</b>	<b>(31,949)</b>	<b>(120,150)</b>	<b>(285,015)</b>	<b>-</b>	<b>-</b>	<b>(437,114)</b>
Depreciation for the period	(8,922)	(227,726)	(81,824)	(18,287)	-	(336,759)
Exchange differences	(2,525)	(14,242)	(22,583)	(447)	-	(39,797)
<b>At 30 June 2015</b>	<b>(43,396)</b>	<b>(362,118)</b>	<b>(389,422)</b>	<b>(18,734)</b>	<b>-</b>	<b>(813,670)</b>
<b>Net book value</b>						
<b>At 30 June 2015</b>	<b>169,182</b>	<b>1,278,241</b>	<b>7,192,730</b>	<b>99,583</b>	<b>-</b>	<b>8,739,736</b>
<b>At 31 December 2014</b>	<b>3,322</b>	<b>1,409,726</b>	<b>2,881,821</b>	<b>110,349</b>	<b>2,034,185</b>	<b>6,439,403</b>
<b>Carrying amounts</b>						
<b>At 1 January 2015</b>	<b>3,322</b>	<b>1,409,726</b>	<b>2,881,821</b>	<b>110,349</b>	<b>2,034,185</b>	<b>6,439,403</b>
Additions	170,591	-	12,522	-	1,945,167	2,128,280
Depreciation expenses	(8,922)	(227,726)	(81,824)	(18,287)	-	(336,759)
Exchange differences	4,191	96,241	305,983	7,522	94,875	508,812
Transfers	-	-	4,074,228	-	(4,074,228)	-
<b>At 30 June 2015</b>	<b>169,182</b>	<b>1,278,241</b>	<b>7,192,730</b>	<b>99,583</b>	<b>-</b>	<b>8,739,736</b>



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	Office equipment \$	Direct store equipment \$	Land and Buildings \$	Construction in progress \$	Total \$
<b>Cost</b>					
<b>At 1 January 2014</b>	<b>32,599</b>	<b>-</b>	<b>2,927,021</b>	<b>1,714,273</b>	<b>4,673,893</b>
Additions		348,880		51,600	400,480
Exchange differences	(2,176)	(11,760)	(195,346)	(114,409)	(323,691)
<b>At 30 June 2014</b>	<b>30,423</b>	<b>337,120</b>	<b>2,731,675</b>	<b>1,651,464</b>	<b>4,750,682</b>
<b>Accumulated Depreciation</b>					
<b>At 1 January 2014</b>	<b>28,159</b>	<b>-</b>	<b>204,892</b>	<b>-</b>	<b>233,051</b>
Depreciation for the period	844	13,810	28,270	-	42,924
Exchange differences	(1,908)	(465)	(14,627)	-	(17,000)
<b>At 30 June 2014</b>	<b>27,095</b>	<b>13,345</b>	<b>218,534</b>	<b>-</b>	<b>258,974</b>
<b>Net book value</b>					
<b>At 30 June 2014</b>	<b>3,328</b>	<b>323,776</b>	<b>2,513,140</b>	<b>1,651,464</b>	<b>4,491,708</b>
<b>At 31 December 2013</b>	<b>4,440</b>		<b>2,722,129</b>	<b>1,714,273</b>	<b>4,440,842</b>
<b>Carrying amounts</b>					
<b>At 1 January 2014</b>	<b>4,440</b>	<b>-</b>	<b>2,722,129</b>	<b>1,714,273</b>	<b>4,440,842</b>
Additions	-	348,880	-	51,600	400,480
Depreciation expenses	(844)	(13,810)	(28,270)	-	(42,924)
Exchange differences	(268)	(11,295)	(180,718)	(114,409)	(306,690)
<b>At 30 June 2014</b>	<b>3,328</b>	<b>323,776</b>	<b>2,513,140</b>	<b>1,651,464</b>	<b>4,491,708</b>

## 9. Intangible assets

Intangible assets include franchising rights and software and their movements are summarised as follows:

	Franchising Rights \$	Software \$	Total \$
<b>Gross carrying amount</b>			
<b>Balance at 1 January 2015</b>	<b>4,974,614</b>	<b>67,398</b>	<b>5,042,012</b>
Impairment of franchising right	(145,442)	-	(145,442)
Currency translation differences	355,696	4,866	360,562
<b>Balance at 30 June 2015</b>	<b>5,184,868</b>	<b>72,264</b>	<b>5,257,132</b>
<b>Amortisation and impairment</b>			
<b>Balance at 1 January 2015</b>	<b>(867,690)</b>	<b>(58,995)</b>	<b>(926,685)</b>
Amortisation	(686,567)	(8,818)	(695,385)
Currency translation differences	(79,464)	(4,451)	(83,915)
<b>Balance at 30 June 2015</b>	<b>(1,633,721)</b>	<b>(72,264)</b>	<b>(1,705,985)</b>
<b>Carrying amount 30 June 2015</b>	<b>3,551,147</b>	<b>-</b>	<b>3,551,147</b>



## Sunbridge Group Limited and its Controlled Entities

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	Franchising Rights	Software	Total
	\$	\$	\$
<b>Gross carrying amount</b>			
Balance at 1 January 2014	421,244	62,294	483,538
Addition, separately acquired	4,610,008	-	4,610,008
Termination of franchising right	(91,152)	-	(91,152)
Currency translation differences	34,514	5,104	39,618
<b>Balance at 31 December 2014</b>	<b>4,974,614</b>	<b>67,398</b>	<b>5,042,012</b>
<b>Amortisation and impairment</b>			
Balance at 1 January 2014	(74,337)	(23,360)	(97,697)
Amortisation	(713,037)	(30,542)	(743,579)
Currency translation differences	(80,316)	(5,093)	(85,409)
<b>Balance at 31 December 2014</b>	<b>(867,690)</b>	<b>(58,996)</b>	<b>(926,686)</b>
<b>Carrying amount 31 December 2014</b>	<b>4,106,924</b>	<b>8,402</b>	<b>4,115,326</b>

In order to capture a greater margin in the retailing process, the number of direct stores has increased to 72 in the past 12 months. The direct stores are amortised over a 3 year period.

The cost of the acquisition of franchise rights are recognised as intangible assets and are amortised over the estimated useful life.

### 10. Financial liabilities

The financial liabilities of the Group include the following:

	6 months to 30-Jun-2015	Year to 31-Dec-2014
	\$	\$
Short term borrowings	-	2,891,300
	-	<b>2,891,300</b>

Short term borrowings were repaid during the period.

### 11. Share capital

	6 months to 30-Jun-2015		Year to 31-Dec-2014	
	Number of shares	Balance	Number of shares	Balance
Shares issued and fully paid:				
Beginning of the period	471,738,000	12,495,825	471,738,000	12,495,825
<b>End of the period</b>	<b>471,738,000</b>	<b>12,495,825</b>	<b>471,738,000</b>	<b>12,495,825</b>



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### **12. Dividends**

During the first six (6) months of 2015, no dividend payment was made to its equity shareholders (first six (6) months of 2014: \$283,044).

### **13. Contingent liabilities**

The Group has contingent liabilities as at 30 June 2015 in relation to the loan guarantee provided to external party totalling \$ 1,069,000 (RMB 5 million) which expires on 5 September 2015.

### **14. Events after the reporting date**

After the reporting date, no material events occurred which had a significant impact on our results of operations, financial position and net assets.

### **15. Related party transaction**

During the period Mr Jiayin Xu (Director) advanced funds to the company to meet certain operating and administrative expenses in Australia. The total outstanding at 30 June 2015 is \$150,000.

The transactions between the related parties are on normal commercial terms and conditions, no more favourable than to those to other parties unless otherwise stated.



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# Directors' Declaration

In the opinion of the Directors of Sunbridge Group Limited:

- a. The consolidated financial statements and notes of Sunbridge Group Limited are in accordance with the *Corporations Act 2001*, including:
  - i. Giving a true and fair view of its financial position as at 30 June 2015 and of its performance for the half-year ended on that date; and
  - ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting*; and
- b. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

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Director  
Wayne V Reid

Dated on 31 August 2015

Level 1,  
67 Greenhill Rd  
Wayville SA 5034

Correspondence to:  
GPO Box 1270  
Adelaide SA 5001

T 61 8 8372 6666  
F 61 8 8372 6677  
E [info.sa@au.gt.com](mailto:info.sa@au.gt.com)  
W [www.grantthornton.com.au](http://www.grantthornton.com.au)

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SUNBRIDGE GROUP LIMITED**

We have reviewed the accompanying half-year financial report of Sunbridge Group Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

### **Directors' responsibility for the half-year financial report**

The directors of Sunbridge Group Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Sunbridge Group Limited consolidated entity's financial position as at 30 June 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Sunbridge Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of a half-year financial report consists of making enquiries, 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 Australian Auditing Standards 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.

**Independence**

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Sunbridge Group Limited is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



J L Humphrey  
Partner – Audit & Assurance

Adelaide, 31 August 2015